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Table with exchange rates for various countries including Algeria, Angola, and others.

ESTABLISHED 1887



A Palestinian militant of the Muslim fundamentalist group Hamas carrying furled banners after a demonstration on Friday in the Rafah district of the Gaza Strip.

Stabbing by Fatah Embarrasses Rabin Clinton and Israeli Leader Demand That Arafat Condemn the Violence

By Clyde Haberman
JERUSALEM — While courting American support in Washington, Prime Minister Yitzhak Rabin suffered a potentially serious political blow at home on Friday...

Balkan War-Crimes Panel: Head-On Into Crisis?

By John Pomfret
ZAGREB, Croatia — When the first international tribunal to set up since World War II to prosecute war crimes holds its inaugural meeting next week at The Hague...

Germans Predict 10% Joblessness in '94

By Brandon Mitchener
FRANKFURT — Unemployment will rise to 4.02 million next year as economic stagnation in the western part of Germany puts a brake on development in the eastern part...



Striking German coal miners taking a coffee break near Bergkamen in the Ruhr district.

German Mayor Resigns Over Riot Criticism

By Stephen Kinzer
BERLIN — The mayor of the Eastern German port city of Rostock resigned Friday after reports blamed him and his aides for failing to prevent a racist riot 14 months ago...

Kiosk section containing market data for Dow Jones, Trib Index, and The Dollar, along with a restaurant rating for Tokyo.

Hi-Ho! And Off to the Civil War We Go!

By Michael Wines
HAYMARKET, Virginia — Walt Disney Co. plans to build a new amusement park here that would revive the grand sweep of American history...

Euro Disney Skids 15%
Euro Disney shareholders are waking to real-world facts as the value of their investments dwindles in the wake of the company's disastrous financial report...

Japan Decides a Father's Place Is Not Always at Desk

By David E. Sanger
TAKATSUKI, Japan — In another era, the Japanese government came to industrial suburbs like this outside of Osaka to teach workers how to make the world's best car parts...

Parrot Can't Talk, Judge Rules

San Francisco — A defense lawyer in a Northern California murder case says he believes Max the parrot may be more than just an ordinary bird — that Max may, indeed, hold the answer to who smothered Jane Gill to death in her bedroom...

In Estonia, a Russian Return Vote Is Sharp Turn on Road to Democracy

By William E. Schmidt
New York Times Service

TALLINN, Estonia — Barely two years after Estonia wrestled itself free of the old Soviet Union, Russian influence is returning through the first free municipal city elections in this Baltic nation since World War II.

While Estonian nationalists still run the government, many of them keen to erase every legacy of 50 years of Moscow's rule, the new 64-member city council in Tallinn includes an ethnic Russian deputy chairman, a former editor of the Communist paper and 25 others whose success to the bloc-voting process of the disgruntled Russian minority.

The fresh crop of local councilors in the capital were among scores of native Russians and a handful of former Communists who fled to victory last month in cities and towns across Estonia.

Describing themselves mostly as pragmatists committed to free-market policies, the Russian-backed slates were swept into office as the result of a little-noticed law that allowed foreign noncitizens, including many of the half-million Russians left on this side of the border when Estonia became independent in 1991, to cast ballots in the local election.

To diplomats and many Estonian politicians, the outcome of these local elections were the latest and sharpest turn on the road to Estonian democracy, as Estonia and its Baltic neighbors continue to wrestle with a fundamental question: to whom, exactly, do these new Baltic nations belong?

"What happened is they left the door a little ajar, so we all rushed through," said Nikolai Yugantsov, from his office in the former Soviet Officers' club, now the local cultural center and gathering place for the capital's 200,000 native Russians. Nationally, about one-third of Estonia's population of 1.5 million consists of native Russian-speakers, of whom only about one in 10 are now citizens.

Two Russian groups that fielded candidates in Tallinn captured 27 of 64 seats on the City Council, and Russian-backed slates also rolled up gains in the northeast, where Russians outnumber ethnic Estonians, as they turned out at twice the rate of Estonian citizens.

In addition to the Russians, a moderate centrist coalition that favors accommodation with the Russians also did well, leaving the nationalists, who dominated last year's parliamentary elections, in which only Estonians were allowed to vote, nearly shut out of the local council races.

Hard-line nationalists, predictably, raised alarms over the election. "Black Day for Estonian Democracy" was the way one Estonian language paper reported

the returns, and several members of the ruling Fatherland Party deserted their ranks in protest.

Juri Toomepuu, an official of a nationalist group that campaigns on the slogan, Estonia for Estonians, said the government had made a serious mistake in allowing the Russians the right to vote in the local elections.

But Western diplomats and even some Estonians argued the outcome was a positive step.

"Let's not get all hung up because the elections did not match our ideal of the way classical Greek democracy ought to work," one diplomat said. "This is urban politics, more like New Jersey than Athens."

In the first two years of their independence, Latvia, Lithuania and Estonia have spent a great deal of their energy dealing with the political and emotional legacy of a half-century of Soviet rule. Not only were about 145,000 former Soviet army troops left behind in the Baltics in 1991 (fewer than 17,000 now remain, most of them in Latvia), but there are large minorities of Russian-speakers in both Latvia and Estonia, who were resettled there during Moscow's long period of rule and have never lived anywhere else.

While many nationalists argue the newly independent Estonia ought to belong just to Estonians, the parliament here has spent much of its time wrestling with restrictive citizenship laws, in the frank hope many Russians might leave. Even now, to qualify for citizenship, Russians must first learn to speak Estonian.

The government had decided to give the Russians the vote in the local, but not national, elections expressly to help quiet complaints from Western governments and international human-rights groups that Estonia has treated its Russian minority unfairly. Candidates in the local elections had to be citizens, but the government gave citizenship to about 35 Russians to allow them to run.

Peter Olesk, a government minister in charge of ethnic relations, said in an interview that the elections served as a direct rebuff to critics, including Russian officials in Moscow, who have accused Estonia of trying to relegate Russians to a second-class status.

The results in these local elections were somewhat evocative of the outcome of national ballots over the past year in both Lithuania and Poland, where voters deserted the politicians who led the independence movement in favor of more experienced people, including some who were former Communists or served in governments during the Communist era.

The remnants of the old hard-line Communist Party, which now calls itself the Estonian Democratic Labor Party, received fewer than 3 percent of the votes cast.



The Pope leaving for the Vatican Friday after having been treated for a fractured right shoulder.

John Paul Is Out of Hospital

ROME — Pope John Paul II left a Rome hospital Friday after being treated for a dislocated and fractured right shoulder caused by a fall.

The Vatican spokesman said the Pope fell because he tripped while descending from his throne at the end of an audience on Thursday. "There are five steps there," said the spokesman, Joaquin Navarro-Valls. "He walked down the first step toward the right and at that moment someone was coming up to greet him from the left side. The Pope turned when he realized this, and he missed a step."

The director of the Gemelli Hospital, Emilio Tresselt, said there was no reason to believe the fall was caused by an illness because the Pope's general health was fine. "I can categorically exclude that this could have been caused by an illness or fainting," Dr. Tresselt said.

The Pope resumed his schedule of private and public audiences. He will have to give up two of his favorite sports — skiing and swimming — for several months.

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Libya Denounces New UN Sanctions

TUNIS — Libya denounced new United Nations sanctions on Friday that are linked to its refusal to surrender two suspects in the 1988 bombing of a Pan American World Airways jet, but it said it was still urging the suspects to stand trial in Scotland.

Libya's Foreign Ministry said the Security Council resolution adopted Thursday was intended only to harm the Libyan people. The press agency JANA called it a decision by "imperialist" Western nations counter to world opinion.

The ministry expressed Libya's "deep sorrow that the council has fallen again under the pressure and practices of the United States, Britain and France."

JANA, which expresses the views of Colonel Moammar Gadhafi's regime, said the sanctions were adopted because of a "policy of pressure and threats" that had turned the council into "an instrument serving only Western interests."

"The Libyan Arab people interpret this new unjust resolution merely as confirmation of a truth that has become apparent to the world," it said, "namely the superpowers' control over the Security Council."

Libya reaffirmed its offer to Secretary-General Butros Butros Ghali on Sept. 29 that Libya did not oppose the two suspects' standing trial in Scotland and "was ready to urge them to do so."

But it set no date for the two to submit themselves, saying procedures still had to be agreed upon.

The new sanctions agreed by the council go into force on Dec. 1. They freeze Libya's funds abroad and bar the import of certain oil-industry equipment. But oil exports are still permitted, and the sanctions exclude funds derived from oil, gas and agricultural exports.

The sanctions are meant to force Libya to turn over for trial Abdel Basset Ali Megrahi and Lamen Khalifa Fhimah, who were indicted in Britain and the United States for planting a bomb that blew up Pan Am Flight 103 over Scotland in 1988, killing 270 people.

Muslims Hit Croat Stronghold

SARAJEVO, Bosnia-Herzegovina — Muslim gunmen attacked the Croatian stronghold of Kiseljak on Friday in a new thrust against Croats in central Bosnia.

Five people were reported dead in an artillery barrage on the town, 30 kilometers (18 miles) west of Sarajevo, where Croatian and Bosnian government representatives were discussing ways to stem the fighting.

Kiseljak is the headquarters of the United Nations Protection Force in Bosnia. It was chosen because it has been relatively unscathed by the 19-month civil war. The UN base was not endangered by the latest shelling.

Captain Nils Pedersen said by telephone that shelling by both sides could be heard to the north of the base and that a large number of tanks belonging to the Croatian Defense Council had been seen on the move.

The Muslims pressed their offensive, although a member of Bosnia's collective presidency said Thursday that attacks on Croatian enclaves in central Bosnia would be stopped as "an expression of our concern for the population and the good will of our army."

The cease-fire was supposed to coincide with peace talks Friday in Sarajevo between Foreign Minister Mate Granic of Croatia and Prime Minister Haris Silajdzic of Bosnia-Herzegovina.

Muslims and Croats, allied against Serbs earlier in the conflict, are fighting bitterly for territory in central Bosnia, where a string of Croatian towns have been overrun recently.

A UN spokesman, Idesbald van Biesebröck, said that the Croatian Defense Council began an offensive Thursday against the Muslims between Fojnica and Bakovici, west of Kiseljak.

Thirty Croat mortar rounds exploded within 50 meters (165 feet) of a Muslim hospital in Bakovici, forcing UN forces to post two armored vehicles to protect it. The hospital treats mental patients and seriously wounded war casualties.

The hospital is not far from one near Fojnica where 130 mental patients were left without care for three days in July when government forces took the area from Croats.

Staff members who had abandoned that hospital returned with peacekeepers to find the patients, mostly children and adolescents. Four children died in their absence.

WORLD BRIEFS

CIA to End Veto of Spy Satellite Sale

WASHINGTON (Reuters) — The Central Intelligence Agency is ending its opposition to commercial sales of spy-quality satellite imagery in a move that may open a \$1 billion market in the next few years, administration officials said Friday.

They said R. James Woolsey, director of central intelligence, would announce conditional support next week for allowing the sale of "remote sensing" systems able to pick out objects as small as cars from 400 miles (640 kilometers) or so in space.

Along with officials of the departments of State, Commerce and Defense, Mr. Woolsey is due to spell out his views on the issue at a public hearing of the Senate Select Committee on Intelligence on Wednesday. The matter has been under review by the agency for more than a year, holding up, among other things, reported requests by Spain, South Korea and the United Arab Emirates to buy spy satellites built in the United States.

A Third Chinese Hijacking in Week

TAIPEI (AP) — A physician and a civil servant hijacked a Chinese airliner to Taiwan Friday, brandishing surgical knives and a blood pressure gauge that they pretended was a bomb, officials said.

It was the third hijacking from China to Taiwan in a week, and the seventh this year. The hijackers surrendered peacefully on landing, saying they were fleeing political persecution.

The Northern Airlines MD-82 was carrying 73 passengers and 9 crew members from Changchun in the northern province of Jilin to Fuzhou in southern China, authorities said. The plane was escorted in by two Taiwanese jet fighters that scrambled when the airliner was over Shanghai, and it left four and a half hours later, after a search by Taiwanese Air Force specialists found nothing suspicious, officials said.

Boy, on Tape, Accuses Companion

FRESTON, England (Reuters) — Horrifying tapes of a boy crying as he accused a fellow 11-year-old of beating and killing a toddler were played in court here on Friday. The two boys, known in court as Child A and Child B, deny abducting and murdering 2-year-old James Bulger, whose battered corpse was found on a railroad line two days after he disappeared from a shopping mall in February.

The court heard recordings of police interviews with Child A, who blamed Child B. "You will find out in the end it was him that took it, took the baby," Child A said. "He won't tell you that he took the baby out of the Strand because he knows that he'll get into trouble by his dad."

Amid constant tears under police questioning, Child A insisted in a high-pitched voice: "I never killed him." Then the crying child asked detectives: "Can I go home with my Mum?"

Nations Vote Nuclear-Dumping Curb

LONDON (AP) — Nearly 40 nations, including the United States and Japan, voted Friday to ban the dumping of nuclear waste in the world's oceans permanently. Five countries abstained.

It was unclear how many nations will observe the ban because the 71 countries that signed the 1972 treaty known as the London Convention, which regulates the dumping of nuclear waste and other substances, have 100 days to opt out.

In the final vote, 37 nations approved the ban. There were no votes against it, but Britain, France, Russia, China and Belgium abstained.

Wider Europe Defense Pact Backed

WARSAW (Reuters) — France and Germany pledged at talks with Poland on Friday to help East European countries become associate members of the Western European Union defense group.

Foreign Minister Klaus Kinkel of Germany and his French counterpart, Alain Juppé, told the Polish foreign minister, Andrzej Olechowski, that they would ensure that the question of associate membership was raised at a meeting of the defense group in Luxembourg on Nov. 22.

"We want the WEU to offer association status that would be open to all partners who have signed association agreements with the European Union and to those who will do so in the future," the three ministers said in a joint declaration. No timeframe for associate membership was suggested, and there was no indication of what such a status would entail.

U.S. Notes Shift in North Korea Offer

WASHINGTON (AP) — The State Department expressed interest Friday in a North Korea statement indicating a willingness to abide by an international nuclear safeguards treaty in exchange for a more conciliatory U.S. policy.

"We've taken very careful note of this statement," said the State Department spokesman, Mike McCurry. He also described as positive the North Korean comment on safeguards.

At issue is whether North Korea, which is suspected of developing nuclear weapons, will allow inspection of nuclear facilities. Kang Sok Ju, first deputy minister of foreign affairs, said Thursday that the nuclear issue could be "resolved smoothly" if an agreement were reached under which the North would comply fully with nuclear safeguards in exchange for the United States "renouncing the nuclear threat and hostile policy against us according to it."

For the Record

Three men were beheaded in Saudi Arabia, two of them for smuggling heroin and the third for murdering his cousin, the Interior Ministry announced in Riyadh on Friday. (AP)

Prime Minister Morihiro Hosokawa of Japan plans to visit France, Germany and Italy in January, his first trip to Europe since becoming prime minister in August, the Jiji Press news agency said Friday. (AFP)

TRAVEL UPDATE

Businessmen Prefer Cook-In Hotels

LONDON (Reuters) — Weary businessmen would prefer to cook beans on toast in their hotel rooms rather than eat a five-course meal in a restaurant, according to a survey.

Executives questioned by Hyatt Hotels and Resorts said a microwave oven was the single most important extra in their hotel room where their ideal evening was "to cook beans in their rooms and be zoned out in front of the TV." Video telephones, faxes, personal computers and mobile phones were also considered essential extras.

Berlin's oldest subway line will be reconnected Saturday, 32 years after it was closed by the Berlin Wall. The central U-2 subway was built in 1902 but truncated in 1961. It stretches from the Olympic Stadium in western Berlin to the northeastern section of Pankow. (Reuters)

Belgian unions will begin a series of 24-hour strikes Monday aimed at forcing the government to soften an economic austerity plan based on deep paralyzing banks, insurance companies, supermarkets, public transport and some schools. (AFP)

China has opened 134 more cities and regions to foreigners, who will no longer need special permits to visit them, Xinhua said Friday. Up to now, 1,053 Chinese cities and regions had been open to foreigners. The new areas are in the autonomous regions of Guangxi Zhuang and Xinjiang Uygur, along with Gansu, Shanxi. (AFP)

MAYOR: Rostock Leader Resigns

Continued from Page 1

Rightist violence has spread across Germany during the last two years.

This year, the parliament passed a law sharply restricting the right of foreigners to seek asylum in Germany.

Until the law went into effect in July, Germany was receiving more than twice as many asylum-seekers as all other European countries combined.

Many Germans came to feel that the asylum-seekers were abusing their right to political asylum by coming to Germany for economic reasons.

Leaders of far-right parties, as well as prominent figures from the political establishment, encouraged these fears and created a climate of hostility that led to violence in Rostock and other cities.

The resignation of Mayor Kilmann is effective Dec. 1, and the city council is expected to name a successor on that day or soon thereafter.

had, we were not able to make the right decisions."

Both reports, as well as a third prepared by members of Mr. Kilmann's Social Democratic Party, blamed police commanders for failing to act.

According to the reports, police officers were at the scene but did not take action, and commanders were unaccountably absent at critical moments.

"The escalation of violence was due principally to false decisions made by the police commanders on the scene," Mr. Brandt asserted.

All three police commanders who were criticized in the reports remain on duty, although one of them has been transferred out of Rostock and now heads the state police in Mecklenburg-Western Pomerania.

Lothar Kupfer, who as the state's interior minister had overall responsibility for police operations at the site of the riot, was forced to resign in February.

RELIGIOUS SERVICES

<p>AMSTERDAM</p> <p>CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Services 10:30 a.m. / Kids Welcome. De Cusestraat 3, S. Amsterdam. Tel: 020-40-1516 or 020-63-1393.</p> <p>FRENCH RIVIERA</p> <p>CORNERSTONE CHRISTIAN FELLOWSHIP worships at Hotel Equinox, Sophia Antipolis, 10:30 a.m. Sundays; nursery, Sunday schools; Tel: 06.85.64.54.</p> <p>LONDON</p> <p>WINGS OF PRAYER FELLOWSHIP a Nazarene church at Shepperton House 11:15 a.m. WICI SS 10:30 a.m. Gooch St tube Tel: 081-951-7074.</p> <p>MADRID</p> <p>COMMUNITY CHURCH, Worship and Church School at 11:30 a.m. Padre Daman 34, (August, Oriente and Geta, Yarens), International, English Speaking, Tel: 863-5657.</p> <p>MUNICH</p> <p>INTERNATIONAL COMMUNITY CHURCH (Evangelical), 5000 Bellingway, services in English 4:15 p.m. (English) and 8:15 p.m. (U2 Theaterstr.) (089) 53-4574.</p> <p>MONTRE CARLO</p> <p>RITL FELLOWSHIP, 9 Rue Louis-Notari, Sunday Worship 11:00 & 6 p.m. Tel: 92-15-56.00.</p> <p>PARIS and SUBURBS</p> <p>HOPE INTERNATIONAL CHURCH (Evangelical), Sun, 9:30 a.m. Hotel Oton, Metro 1; Esplanade de La Defense, Tel: 47-73-5354 or 47-73-1427.</p> <p>SAINTE JOSEPH'S CHURCH (Roman Catholic), Masses Saturday Evening 6:30 p.m., Sunday, 9:45, 11:30, 12:15 and 6:30 p.m., 50, avenue Hoche, Paris 8th, Tel: 42-27-25-55. Merve, Charles de Gaulle - Ecole.</p> <p>TOKYO</p> <p>ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Ikebuchi Shin, Tel: 0361-3740. Worship Service 9:30 a.m. Sundays.</p> <p>TOKYO URBAN CHURCH, near Omotesando subway Sta, Tel: 3400-0047. Worship services Sunday 9:30 & 11:00 a.m., Sat 9:45 a.m.</p> <p>THE EPISCOPAL CHURCHES OF EUROPE (Anglican)</p> <p>PARIS and SUBURBS</p> <p>THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun, 9 & 11 a.m. 10 a.m. Sunday for children and nursery care, 23, avenue George V, Paris 7th, Tel: 301-47-21-17. Mon, George V or Alma Marceau.</p> <p>FLORENCE</p> <p>ST. JAMES CHURCH, Sun, 9 a.m. P.le 1 & 11, 2, Florence, Italy, Tel: 39-55-24-47.</p> <p>FRANKFURT</p> <p>CHURCH OF CHRIST THE KING (Evangelical), 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Park St, 22, 90229 Frankfurt, Germany, U1, 2, 3, Miquel-Platz, Tel: 49-55-01-84.</p> <p>GENEVA</p> <p>EMMANUEL CHURCH, 1st & 2nd Sts, Sun 10 a.m. Eucharist & 2nd & 4th Sts, Morning Prayer, 3 rue de Monthoux, 1201 Geneva, Switzerland, Tel: 41-22-732-80-78.</p> <p>MUNICH</p> <p>THE CHURCH OF THE ASCENSION, Sun, 11:45 a.m. Seyboldstrasse 4, 81545 Munich 30, Germany, Tel: 49-89-611-55-20.</p>	<p>ROME</p> <p>ST. PAUL'S WITHIN-THE-WALLS, Sun, 8:30 a.m. Holy Eucharist 10:30 a.m. Choral Eucharist 10:30 a.m. Church School for children & nursery care provided 1 p.m. St. Paul's Eucharist, Via Napoli 58, 00194 Rome, Tel: 096-488-3393 or 396-474-3569.</p> <p>WATERLOO</p> <p>ALL SAINTS CHURCH, 1st Sun, 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays 11:15 a.m. Holy Eucharist and Sunday School, 583 Chaussee de Louvain, Orain, Belgium, Tel: 322-384-3558.</p> <p>WIESBADEN</p> <p>THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun, 10 a.m. Family Eucharist, 11:15 a.m. Holy Eucharist, 11:15 a.m. Holy Eucharist, Germany, Tel: 49-611-30-6674.</p> <p>EUROPEAN BAPTIST CONVENTION</p> <p>EUROPEAN BAPTIST CONVENTION CHURCHES WELCOME YOU! 60 English speaking congregations in 17 European countries. Member Baptist World Alliance and International Fellowship for Christian Unity. For information contact: European Baptist Convention, Sonnenbergstrasse 60, D-65193 Wiesbaden, Tel: 0611-823916.</p> <p>BARCELONA</p> <p>BARCELONA INTERNATIONAL CHURCH meets at 17:00 at the Bona Nova Baptist Church, Carrer de la Ciutat de Ballagou 40, Tel: 93-481-1888. For information, phone 410-1681 for information.</p> <p>BERLIN</p> <p>INTERNATIONAL BAPTIST CHURCH, BERLIN, Rantzenburg Str. 13, (Siegelin), Bible study, 10:30 a.m. Sunday, 10:45 a.m. Sunday, 4:00 a.m. Warsaw, Pastor, Tel: 030-774-4870.</p> <p>BONN/KÖLN</p> <p>THE INTERNATIONAL BAPTIST CHURCH OF BONN/KÖLN, Rheinau Strasse 9, Köln, Germany, 1200 p.m. Calvin Hogue, Pastor, Tel: 0228-74021.</p> <p>BREMEN</p> <p>INTERNATIONAL BAPTIST CHURCH (English language) meets at Evangelical-Freikirchliche Kreuzgemeinde, Hollsteinstrasse Hermann-Spöck-Str. (around the corner from the Bahnhof) Sunday worship 10:30 a.m. Ernst D. Walker, pastor, Tel: 04791-12877.</p> <p>BUCHAREST</p> <p>INTERNATIONAL BAPTIST CHURCH, Steria Popea Puiu 22, 300 p.m. Contact Bill Richardson, Tel: 010-91-61.</p> <p>BUDAPEST</p> <p>International Baptist Fellowship, Il Bimbo u. 55 (near entrance Tapolcsany u. 7, immediately behind front entrance) 10:30 Bible study, 6:00 p.m. Pastor: Hans Hiltbrand, Tel: 1758759 & 1159116. Reached by bus 11.</p> <p>BULGARIA</p> <p>INTERNATIONAL BAPTIST CHURCH, Sofia, Grand Narcho Sobrane Square, Worship 11:30 a.m. James Duke, Pastor, Tel: 704367.</p> <p>CELLE/HANNOVER</p> <p>INTERNATIONAL BAPTIST CHURCH, Fiedorstraße, Hannover 15, GERM, SS 12:45, Worship 14:00, 30 min. Drive, 20 min. by train from Hannover. Walking distance from Celle train station. Pastor: Wiert Campbell, Tel: 05204-7515.</p> <p>DARMSTADT</p> <p>DARMSTADT/REBERSTADT BAPTIST MISC. Bible study & Worship Sunday 10:30 a.m. St. Maximilian Da-Eberstadt, Buechelstr. 22, Bible study 9:30, worship 10:45, Pastor Jim Webb, Tel: 0515-5079216.</p>	<p>DÜSSELDORF</p> <p>INTERNATIONAL BAPTIST CHURCH, English, Sat, 10:00, worship 11:05. Children's church and nursery. Meets at the International School, Leuzenerstrasse 107/108, 40489 Düsseldorf, Friendly fellowship. All denominations welcome. Dr. W. J. Delay, Pastor, Tel: 0211-4001157.</p> <p>FRANKFURT</p> <p>INTERNATIONAL CHRISTIAN FELLOWSHIP Evangelical-Freikirchliche Gemeinde, Sonnenbergstr. 60, D-65193 Wiesbaden, phone 06134-23278 or 06196-643350 serving the Frankfurt and Taurus areas, Germany. Sunday worship 6:00 a.m. nursery - Sunday School 10:30 a.m. - 11:30 a.m. - 12:30 p.m. Housegroups - Sunday & Wednesday 18:30. Pastor M. Levey, member European Baptist Convention. "Declare His glory amongst the nations."</p> <p>BETHEL INTERNATIONAL BAPTIST CHURCH, Am Dadröberg 92, Frankfurt a.M. Sunday worship 11:00 a.m. and 6:00 p.m., Dr. Thomas W. Hill, pastor, Tel: 069-549559.</p> <p>HAMBURG</p> <p>INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets at ALBA FESTA SAAL AM ISFELD 19, Hamburg-Osdorf, Bible Study at 11:30 & Worship at 12:30 each Sunday, Tel: 041082016.</p> <p>HOLLAND</p> <p>TRINITY BAPTIST S.S. 9:30, Worship 10:30, nursery, warm fellowship. Meets at Bloemkampen 54 in Wassenaar, Tel: 07151-78024.</p> <p>MUNICH</p> <p>INTERNATIONAL BAPTIST CHURCH OF MUNICH, Holzer, 8 English Language Service, Bible study 10:30, Worship Service 17:00. Pastor's phone, 6909334.</p> <p>OSLO</p> <p>INTERNATIONAL BAPTIST FELLOWSHIP meets at 18:00 at the First Baptist Church of Oslo, Haugen Street 22, Contact Pastor Tor Olofsen, 070 738 59.</p> <p>PARIS and SUBURBS</p> <p>EMMANUEL BAPTIST CHURCH, 55 Rue des Bons-Enfants, Ruef-Nalmanson, An Evangelical church for the English speaking community located in the western district of Paris, 14th, 104th St. (Worship 10:45, Children's Church and Nursery, Youth ministers Dr. B.C. Thomas, pastor, Call 47-51-29-67 or 47-49-1529 for information.</p> <p>INTERNATIONAL BAPTIST FELLOWSHIP, 6:30 p.m., 123 av. de Marne, Mo Galté, Near the Tour Montparnasse. The evening service of Emmanuel Baptist Church, Call 47-51-29-67 or 47-49-1529.</p> <p>PRAGUE</p> <p>International Baptist Fellowship meets at the Czech Baptist Church Vltavská 4 & 58, Prague 3. All in Czech, English, Polish and Sunday a.m., 11:00 Pastor: Bob Ford (02) 311 0692.</p> <p>WUPPERTAL</p> <p>International Baptist Church, English, German, Persian, Worship 10:30 a.m. Selzerstr. 21, Wuppertal - Eberfeld, All denominations welcome. Hans-Dieter Freund, pastor, Tel: 0202-4628284.</p> <p>ZÜRICH</p> <p>INTERNATIONAL BAPTIST CHURCH of Wädenswil (Zürich), Switzerland, Rosenburgstrasse 4, Worship Services Sunday mornings 11:00, Tel: 1-702812.</p> <p>EUROPEAN UNITARIAN UNIVERSALISTS</p> <p>UNITARIAN UNIVERSALIST Fellowship & contacts in Europe include: BARCELONA: (03) 3149154. BRUSSELS: Tel: (02) 6602265.</p>	<p>FRANKFURT/WIESBADEN: (0611) 719461. GENÈVA: (022) 7741596. HEIDELBERG: (06221) 472116 or (06205) 14483. LONDON: (081) 891-0719. MUNICH: (0821) 47-2498. NETHERLANDS: (073) 402025. PARIS: (1) 42-77-9677. GENERAL INFORMATION: (49) 621-58-1718. CONFERENCE INFORMATION: Nov. 12-14, (41) 31-4-63933.</p> <p>ASSOC. OF INT'L CHURCHES IN EUROPE & MIDEAST</p> <p>BERLIN</p> <p>AMERICAN CHURCH IN BERLIN, cor. of City Area & Potsdamer Str., S.S. 9:30 a.m. Worship 11 a.m. Tel: 030-6130201.</p> <p>BRUSSELS</p> <p>THE INTERNATIONAL PROTESTANT CHURCH OF BRUSSELS, Sunday School 9:30 a.m. and Church 10:45 a.m. Kattenberg, 19 (at the Int. School), Tel: 673-05.81. See Int. Tr.</p> <p>COPENHAGEN</p> <p>INTERNATIONAL CHURCH of Copenhagen, 27 Fælledvej, Varfvo, near Fælled, Study 10:15 & Worship 11:30, Tel: 31624785.</p> <p>FRANKFURT</p> <p>TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (U-Bahn St), Sunday School 9:30, worship 11 a.m. Tel: (069) 599478.</p> <p>GENÈVA</p> <p>EV. LUTHERAN CHURCH of Geneva, 20 rue Verdun, Sunday worship 9:30, in German 11:00 in English, Tel: (022) 310.50.89.</p> <p>LONDON</p> <p>AMERICAN CHURCH in London at 79 Tottenham Court Road, London W1, SS at 9:45 a.m. & worship at 11 a.m. George Street tube, Tel: (01) 5802791.</p> <p>MOSCOW</p> <p>MOSCOW PROTESTANT CHAPLAINCY, UPOK Hall, UL. Ulika Palmera 5, Mtg. 2, Worship 9-11 a.m. S.S. Tel: 143-3652.</p> <p>OSLO</p> <p>American Lutheran Church, Fritzeberg 15, Workshop & Sunday School 10 a.m. Tel: 002-44-35.84.</p> <p>PARIS</p> <p>AMERICAN CHURCH IN PARIS, Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7, Bus 63 at Opéra, Metro Alma-Marcousses or Invalides.</p> <p>STOCKHOLM</p> <p>EMMANUEL CHURCH, Worship Christ in Swedish, English, or Korean, 11:00 a.m. Sunday, Birger Jarls, of Kungälvstr. 17, 40/08 15 12 25 x 727 for more information.</p> <p>VIENNA</p> <p>VIENNA COMMUNITY CHURCH, Sunday worship in English 11:30 A.M., Sunday school, nursery, international, all denominations welcome. Dorchtergasse 16, Vienna 1.</p> <p>WARSAW</p> <p>WARSAW INTERNATIONAL CHURCH, Protestant English language expatriates, Sundays 11:30 a.m. (Sept.-April), 10 a.m. (June-Aug.), Sunday School 9:55 (Sept.-May) UL, Modowa 21, Tel: 43-29-70.</p> <p>ZÜRICH</p> <p>INTERNATIONAL PROTESTANT CHURCH English speaking, worship services, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25, Tel: (01) 2625265.</p>
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Can the Senate Legislate an End to Street Crime?

By Clifford Krauss
New York Times Service

WASHINGTON — There is more than a little political grandstanding in the anti-crime bill now sailing through the Senate, such as the talk of expanding the death penalty by 47 federal crimes and the speech about banning assault weapons when there are already enough M-16's on the streets to supply a Third World army.

But the heart of the package is money, \$22.3 billion for programs that might touch people's lives. There is \$8.9 billion to help cities hire additional policemen, \$3 billion for 10 high-security prisons, another \$3 billion for boot camps for nonviolent prisoners and other unorthodox correctional programs.

In addition, there are billions more for other programs, like counseling and recreational activities — an entitlement for young people to do something at night beside rob candy stores — and for drug rehabilitation for prison inmates.

In all, the package would produce a substantial shift of federal resources and attention to the problem of street crime after a decade of government neglect.

But for all the legislating, the question remains: Can this package or any other re-

duce the crime rate at a time when the FBI warns that 83 percent of all Americans can expect to become victims of crime in their lifetimes? Few analysts inside or outside the Congress think it will any time soon.

"Inner-city crime is obviously going to grow," predicted James J. Fois, executive director of Law Enforcement Alliance of America, a lobbying group for 35,000 police officers. "We have to get back to the re-instatement of family values and rebuild parts of our cities that have been forgotten by most of the government in the last 20 years."

Mr. Fois and most other experts agree that the breakdown of the American family and the rise in the rates of illegitimate births will almost certainly translate into more gang mischief, murders, rapes and assaults no matter what Congress comes up with.

The Senate bill now being discussed is an unfinished product, and the House is likely to weigh in with its own changes.

Conservatives, for instance, say the package should make capital punishment a more credible deterrent to violent crime by making it harder for death-row inmates to appeal their sentences. Liberals will block such a measure, while conservatives will block liberals' efforts to ban assault weapons.

Some of the more symbolic measures, like

lowering the threshold on admissibility of evidence in federal sex prosecutions, which are rare, may not survive the legislative process or the courts.

Still, what will be left are potentially important measures intended to insure that more criminals are arrested and serve more time in prison after the bill's expected enactment early next year.

The legislation would build 10 giant regional prisons for violent inmates to relieve overcrowding of local correctional institutions, hire hundreds of federal prosecutors to prosecute youth gangs, and expand financing for a district attorney's wish list of research projects, including DNA imaging to improve investigation techniques.

The final measure will almost certainly ban the possession, transfer and sale of handguns for minors except under the rarest of circumstances.

That provision would fit neatly with a separate bill to put in place a waiting period of five working days for the purchase of handguns.

The measure, known as the Brady bill, has a good chance of final passage this year after six years of delays and defeats at the hands of Republican filibusters. Such is the mood in Congress to do something — any-

thing — about crime, even if it offends a powerful lobby like the National Rifle Association.

The House passed the Brady bill on Wednesday and the Senate will take it up soon.

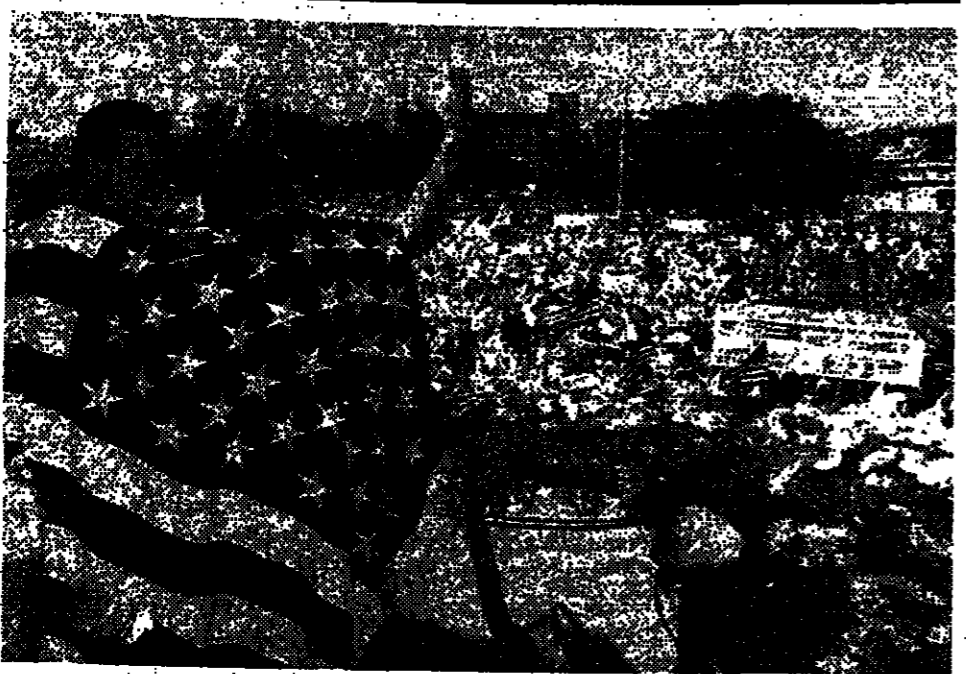
But most importantly, the crime package would give localities money to put up to 100,000 new police officers on the beat over five years, which could translate into 5,000 or more new officers for New York City alone.

Those officers would be supplemented by a new generation of recruits graduating out of a new ROTC-like college program called the Police Corps.

"We have to decide where we start," said Senator John Kerry, Democrat of Massachusetts, who is a leading proponent of the package. "And the first and foremost place to begin is the police. People do not just walk up and hit people right under the nose of a cop."

The federal government spends \$756 million annually to help states fight crime, one-third in real terms of what it provided in the early 1970s. The crime package would reverse that decline, as well as direct the FBI and other federal agencies to focus the same attention on juvenile gangs as they do on old-fashioned organized crime.

★ POLITICAL NOTES ★



WRAPPING THEMSELVES IN THE FLAG — Draped with his son in an American flag, Baltasar Corrada del Rio, the Puerto Rican secretary of state, greeted a crowd at a rally supporting statehood for the territory. Islanders vote Sunday in a nonbinding referendum on whether to become the 51st state, continue with commonwealth status, or become independent.

Clinton Overrules Reno on Porn

WASHINGTON — President Bill Clinton ordered Attorney General Janet Reno to toughen the Justice Department's stance on what constitutes child pornography, an unusual public directive prompted by protests against the Justice Department's position in a recent Supreme Court case.

In a terse three-paragraph letter released by the White House, Mr. Clinton moved quickly to respond to a resolution passed unanimously by the Senate that severely criticized a new Justice Department interpretation of the federal child pornography law.

The interpretation, which has come under fierce criticism from lawmakers and conservative activists, would have made some prosecutions more difficult. Ms. Reno endorsed her department's view of the law before the Senate Banking Committee last week.

Without taking a position on whether the department correctly interpreted the law, Mr. Clinton bluntly told Ms. Reno that the outcome left the child pornography law too narrow. He said he wanted "the broadest possible protections against child pornography and exploitation."

After encountering criticism that the administration was lurching to the left in its early months, White House aides were eager to squelch any new controversy that threatened to leave the president vulnerable to criticism that he is soft on pornographers. (WP)

NAFTA as the free-trade agreement is known, said the idea had been rejected without serious consideration. "That has been tossed around like one million other things," he said.

Representative William B. Richardson, Democrat of New Mexico and the chief deputy majority whip, who is gathering NAFTA votes for the administration, said the arrangement might have picked up three or four votes for the closely contested trade pact. Mr. Richardson estimated that pro-NAFTA forces now have 194 of the 218 votes needed for House approval. (NYT)

2d Thoughts for Secessionists

NEW YORK — In the days since Staten Island voters voted to continue their march toward secession from New York City, a striking reversal of political situations has occurred.

Staten Island Republicans have a new Republican mayor of New York, Rudolph W. Giuliani, whose chances of re-election would appear to be dim without their votes. That point is not lost on Democrats.

"There are a lot of people who are asking, 'Why keep them?'" one aide in City Hall said, speaking on condition of anonymity. "Without Staten Island, Giuliani can forget about being re-elected."

Had Staten Island not been part of New York City, Mayor David N. Dinkins would have been re-elected on Nov. 2. Mr. Giuliani won by less than 45,000 votes citywide; his plurality on Staten Island was more than 88,000. (NYT)

Clinton Shuns NAFTA-Vote Deal

WASHINGTON — The White House has rejected a deal offered by lawmakers from tobacco-producing states who asked the Clinton administration to reduce the cigarette tax increase in its health care plan in exchange for their votes on the North American Free Trade Agreement.

William Daley, the White House coordinator for

Air Force Ends Space Alert Plan

By Ralph Vartabedian
Los Angeles Times Service

WASHINGTON — The U.S. Air Force has told TRW and Lockheed that it will end the \$13.3 billion program for a satellite system to warn of a ballistic missile attack, marking the first major cancellation of a military space program since the end of the Cold War.

The demise of the program — known as the Follow-on Early Warning System, or FEWS — occurred in a meeting last week when Undersecretary of Defense John M. Deutch ordered air force officials to end the effort, according to an internal air force memo.

The spacecraft industry, meanwhile, is mounting an effort to reverse the decision, and some air force officials oppose it as well.

Major General Garry Schmeizer, the senior space acquisition official, told Mr. Deutch during the meeting that the program should be preserved. But Mr. Deutch cut off any further debate, according to the memo, saying: "Let me start over. FEWS is zero."

The cancellation made clear the Pentagon's reluctance to support high-cost space systems that have borne little of the brunt of military spending cuts so far.

Many advanced weapons, ranging from nuclear submarines to Stealth jets, were once justified by the standoff with the Soviet Union, but analysts say they are now facing a difficult future. With weaker rivals, the United States may no longer need to pay a premium for the best technology.

In his order canceling the program, however, Mr. Deutch also agreed to spend \$1.4 billion to develop an early warning satellite for launching in 2004 or 2005, according to the memo. His decision delays deployment of a new generation of warning satellites by about five years and gives the Pentagon time to assess how much capability it will need.

A 'Voter Suppression' Inquiry in N.Y.

By Thomas B. Edsall and Malcolm Gladwell
Washington Post Service

WASHINGTON — Justice Department officials are investigating complaints of efforts to keep voting down in Democratic-leaning minority neighborhoods in the New York mayoral election on Nov. 2, according to sources involved in the investigation.

The black incumbent mayor, David N. Dinkins, was defeated by the Republican challenger, Rudolph W. Giuliani, in a contest that showed polarized patterns of racial voting.

Among the complaints are the placing of signs on phone polls and walls in Hispanic areas warning that "federal authorities and immigration officials will be at all election sites."

The signs added, "Immigration officials will be at locations to arrest and deport undocumented illegal voters."

It is unclear whether the signs were intended to intimidate naturalized citizens.

The New York inquiry, which is being conducted by the Voting Rights section of the Justice Department, is in preliminary stages. It coincides with a growing controversy over the possible suppression of black voters in the New Jersey gubernatorial election.

More and more information is

surfacing about "voter suppression," a tactic that has not received much attention in the press.

Earlier this week, Edward J. Rollins, who managed the successful gubernatorial campaign of Christine Todd Whitman, said he had overseen the expenditure of about \$500,000 in "walking around money" used largely to suppress the black vote.

[The Justice Department will investigate possible federal violations stemming from the assertions that the campaign of Mrs. Whitman suppressed black voting. The Associated Press reported in Trenton, New Jersey.]

Mrs. Whitman vehemently denied Mr. Rollins's claims, and Mr. Rollins subsequently said his own remarks were "inaccurate" and "not true."

In his original description of the campaign strategy, Mr. Rollins said: "We went into the black churches and basically said to the ministers who had endorsed Florio: 'Do you have any special projects? We see you have already endorsed Florio. That's fine. But don't get up in the Sunday pulpit and preach that it's your moral obligation to vote on Tuesday, to vote for Jim Florio.'"

At the same time, Mr. Rollins said the Whitman campaign approached political workers for black mayors and said: "How much

have they paid you to do your normal duty. We'll match it, go home, sit and watch television. And I think to a certain extent, we suppressed their vote."

Mrs. Whitman denounced his description of voter suppression as a fabrication, and Mr. Rollins said

in a statement: "I went too far. My remarks left the impression of something that was not true and did not occur."

But the Reverend Keith Owens of the Kaighns Avenue Baptist Church in Camden confirmed Mr. Rollins's original account.

Away From Politics

• Crime in New York City subways decreased by 12.1 percent over the first nine months of 1993, compared with the same period a year ago, the New York City transit police reported.

• Hundreds of blood tests used to link defendants to crime scenes in West Virginia over a 10-year period have been invalidated. The state's Supreme Court of Appeals threw out test results after an independent team of serologists found in an investigation of 36 cases that Fred Zain, State Police serologist from 1979 to 1989, had made up or manipulated evidence to win convictions in every case.

• The acquittal of John Wayne Bobbitt on charges of marital rape is bad news for his wife, Lorena Bobbitt, and her upcoming trial on charges that she cut off his penis, lawyers said. Prosecutors and defense attorneys agreed that Lorena Bobbitt was not a strong witness at the trial in Manassas, Virginia. Her testimony was halting, tearful and not convincing to the jury. "If she was my client, I would be begging for a misdemeanor plea," said Susan Fain, who teaches law at American University. "I would not be very happy about the prospect of putting her before a jury."

• Cardinal Joseph Bernardin of Chicago has been named in a \$10 million damage suit brought by a former seminary student, who alleges that the prelate and an Ohio priest traded him back and forth as a "sex toy" in the mid-1970s. Cardinal Bernardin, one of the most prominent figures in the Roman Catholic church in North America, has denied the allegations, saying he had never abused anyone. AP, NYT, WP, Reuters

COCOM: End of an Anachronism

THE HAGUE — Western nations are to meet in the Netherlands next week to agree on scrapping COCOM, the organization established during the Cold War to prevent the Communist bloc from obtaining high technology, Dutch officials said Friday.

Top civil servants from 17 countries expect on Tuesday to agree to replace the Coordinating Committee for Multilateral Export Controls with an organization that may include former adversaries from the old Soviet bloc.

"This will be an in-principle deal to abandon COCOM and set up a new organization," a spokesman for the Dutch Economic Affairs Ministry said.

"The details will have to be filled in, but it will probably include a call for the new organization to be expanded to include East-bloc countries," he added.

A new system might respond to concerns voiced by the United States over technology exports to Iraq and Libya, Western diplomatic sources have said.

Members of the current pact met

in Norway on Nov. 6 to work out details of the new organization for controlling exports of militarily useful technology.

COCOM technical officials meet every week in Paris, but major decisions are made by irregular meetings of top civil servants. COCOM comprises all 16 NATO countries except Iceland, and Australia and Japan.

The meeting on Tuesday, in the town of Wassenaar near the Hague, will be led by Frans Engering, head of foreign economic relations at the Dutch Economic Affairs Ministry.

Since 1989, COCOM has removed Hungary and the Czech Republic from its list of banned destinations for Western technology exports.

Diplomatic sources in Paris said Monday that the organization had decided to relax controls on exports of militarily useful technology to Russia.

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The Limits of Ad Hockery

The sports cliché has it that since owners cannot fire a team, they fire the manager. Politics is a little different. Entire teams are seldom fired, but players do get dismissed precisely so that the failings of their managers seem less glaring.

Clinton and his foreign policy team arrived in Washington as fervent multilateralists. Now they have gotten cold feet about putting American troops under United Nations or other joint commands.

In Bosnia, a Bridge Is Lost

After a year of pounding, the 427-year-old stone bridge at Mostar in Bosnia finally collapsed this week, falling in chunks into the Neretva River. The symbolism is melancholy — and not only because the destruction of the historical bridge and city of Mostar, like the larger Bosnian nightmare itself, was an action everyone agreed must not happen and then let happen anyway.

cultural importance for Croats as well as for Muslims, had been much studied and reconstructed in the past 15 years, winning an international architecture prize several years ago. In an odd twist, this means the bridge's loss need not be irrevocable. The Bosnian architecture scholar Amir Pusic, currently a fellow at the Massachusetts Institute of Technology and for many years involved with the restoration efforts, is now traveling the United States with documents he says could be used to rebuild the bridge to exact specifications. The team, he says, has "surveyed every stone."

Ramos's Philippine Revival

With Corason Aquino no longer president and the big U.S. military bases at Subic Bay and Clark Field shut down, many Americans have lost interest in the Philippines.

Mr. Ramos has barely made a dent in inherited problems like widespread poverty, crippling power blackouts and pervasive ecological devastation. And he can be fairly blamed for others, like continuing human rights abuses by civilian militias. But he has emerged as a legitimate spokesman for democratic development in the largely authoritarian Association of South East Asian Nations, ASEAN.

Other Comment

The NAFTA Opportunity

Defeat of NAFTA would seriously damage U.S. relations with Mexico, slowing not just trade but undermining efforts to cooperate in solving other problems like illegal immigration, narcotics smuggling and cross-border pollution. It would also chill U.S. relations with the rest of Latin America, where many countries see NAFTA as a model for future trade relations with the United States.

trade. "They will not hesitate to gain a foothold where we feared to tread," Secretary of State Christopher Warren warned recently. Indeed, fear is not too strong a word to use in discussing why so many in Congress oppose NAFTA. They reflect the fears of protectionists and neo-isolationists who would insulate the nation from a rapidly changing world economy rather than engaging it to compete and win in the best American tradition.

For Clinton, the Most Important Summit

By Franklin L. Lavin

WASHINGTON — In Seattle on Friday and Saturday, President Bill Clinton will host the annual meeting of the Asia-Pacific Economic Cooperation nations, a 15-member body stretching from the United States and Canada to Australia, Japan and China.

government meeting. This meeting could help focus attention on APEC and the region, but there is a risk. If the importance of the participation is not matched by the importance of the initiatives, Mr. Clinton will have trivialized the meeting. Leaders will have gathered, but for what?

A China Policy Between Conflict and Appeasement

By Michael S. Dobbs-Higginson

HONG KONG — Self-interest demands that China reach out to the Asia-Pacific region for closer cooperation, because it cannot rely on free entry to Western markets as Japan did after World War II. Self-interest also demands that the United States and other Asia-Pacific countries accept Beijing's overtures.

Seattle, made it clear that only the governing party could assure social stability and economic growth. The succession to Deng Xiaoping, the country's aging leader, is a cause for concern. He has removed senior figures he considers a threat to reform. Yet he appears to have no clear successor.

There is a real possibility that huge numbers of economic refugees will move from the poor, harsh interior to the much richer eastern and southern regions; an estimated 100 million peasants had migrated to urban centers by midyear. This has put enormous strain on city governments.

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The High Costs of Defeat

By David S. Broder

WASHINGTON — NAFTA's critics have a better case than the one presented in his debate with Vice President Al Gore on the Larry King show. But it is not a compelling enough argument to defeat the free trade agreement with Mexico and Canada and risk the consequences at home and around the world.

Stop the Horrid Torture of Small Girls

By A. M. Rosenthal

NEW YORK — On Oct. 7, H.R. 3247 was introduced, almost unnoticed, in the U.S. House of Representatives. It is the first congressional bill to deal with the most widespread existing violation of human rights in the world.

Female mutilation is decreed by no religion. But it is passed on over generations and enforced by custom and religion. Eighty million women now alive are its victims.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Not So Persuasive

ROME — The Vatican used all its persuasive powers to prevent the Emperor of Austria from giving his support to the anti-Catholic Civil Marriage Law. One of the reasons which led the Monarch to resist the pressure from the Vatican was the Pope's support of Republicanism and of France.

1943: Lynched in France

STOCKHOLM — [From our New York edition] The Ben, Swedensund correspondent of the Stockholm "Tidningen" said in a dispatch today (Nov. 13) that two men were lynched at Annemasse, in Haute-Savoie, France, on Armistice Day because they had justified people who were standing silent on the street. The correspondent also reported that at Grenoble about 1,000 persons gathered in front of a war memorial and resisted repeated police attacks for an hour. Many were killed and wounded.

1918: Seeking Leniency

WASHINGTON — The Capitol did not become excited at the news of the startling developments in Germany. The course taken by the new German Government in sending out radio ac-

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U.S. Clears Top AIDS Scientist Bonn to Pay Victims in AIDS Blood Scandal

WASHINGTON — Dr. Robert C. Gallo, co-discoverer of the cause of the worldwide AIDS epidemic, was cleared Friday, after nine years of suspicion and four years of investigation, of all charges of misconduct against him by the U.S. Department of Health and Human Services.

By Craig R. Whitney
New York Times Service
BONN — Germany's health minister announced a plan on Friday to compensate people who have been infected by inadequately inspected blood products with AIDS or the virus that causes it.

The compensation would reach up to 2,000 Deutsche marks (\$1,176) a month per victim.

It would cost 25 million DM to compensate 300 people with AIDS and 1,500 infected with the virus, and Mr. Seehofer called on the pharmaceutical and health insurance industries, the German Red Cross and state governments to contribute as much as the government to the fund.

People infected with HIV by blood products would receive 1,000 DM a month, regardless of financial need, and those who had come down with AIDS would receive double that amount.

"I am quite sure that those who say this is just a 'show' or a pincer move never use these products on themselves," said Mr. Seehofer, who was accused by doctors' groups earlier this month of overreacting to the news that at least 373 patients had been given blood infected with the HIV virus that causes AIDS despite supposedly effective government controls.

Prosecutors have charged that a Koblenz company, UB Plasma, ignored testing requirements for years, and that a second concern, Haemoplas of Osterode, might have tested only every fourth or fifth blood donor for AIDS.

At least 50 premature babies in Bamberg and 30 seriously ill children at the University Clinic in Munich received transfusions of Haemoplas products in the last two years, doctors said Friday, but they added that unless the babies came back for blood testing, there would be no way to tell whether they had been infected.

Millions of people who underwent blood transfusions in Germany and other countries supplied by the companies since 1985 fear they may have been affected.

The leading German hemophiliacs' association immediately welcomed the tenfold increase in the government's contribution to the planned fund and called on lawmakers to lift the statute of limitations on past claims.

Mr. Seehofer said compensation from the emergency fund would not preclude anyone victimized by the scandal from seeking additional damages through the courts.



Supporters of General Mohammed Farrah Aidid, the Somali warlord, distributing goods on Friday at a Mogadishu hospital.

Jailed Somalis Suspected in GI Deaths

By Keith B. Richburg
Washington Post Service
MOGADISHU, Somalia — American investigators said several of the 42 Somalis under arrest by the United Nations were involved in planning and executing the landmine attack Aug. 8 in which four American soldiers were killed.

Their deaths, believed caused by a remotely-controlled land mine hidden in a ditch, prompted President Bill Clinton to dispatch a U.S. Army Ranger unit to Mogadishu, the Somali capital, to hunt down the militia leader Mohammed Farrah Aidid. His arrest had been ordered by the United Nations forces for suspected involvement in the killing of other UN troops.

UN officials said interrogations of the prisoners revealed that three or four of them planted and set off the land mine, after lying in wait for an American vehicle.

The discovery of the apparent Somali involvement in killing Americans in attacks specifically meant for them may complicate their release, an issue that is apparently being held up by talks between the United Nations and General Aidid's militia faction.

UN officials said another prisoner was identified as having been part of the mob photographed kicking and mutilating the body of one of the 18 Americans killed on Oct. 3-4 in a major battle with General Aidid's forces.

did's forces. The Somali was arrested near the Mogadishu port, after an American soldier reading a newspaper recognized him standing nearby, from a photograph of the mob surrounding the U.S. soldier's body, according to UN diplomats.

UN officials also said they believed that two of those held might have been directly involved in the ambush June 5 that killed 24 Pakistani soldiers attached to UN units. This incident set off the four-month clash between the militia and UN forces and started American-led UN troops on their futile manhunt for the Somali leader.

The others behind the ambush are believed to have been killed July 12, when American helicopters fired missiles into a house in which General Aidid's top advisers were holding a strategy session, according to UN officials.

Three others being held apart from the group of 42, and in isolation, are men considered to be General Aidid's most-trusted advisers — the financier Osman Ato as well as Omar Salad and his foreign minister, Mohammed Hassan Awale, a former Washington taxi driver.

General Aidid's militia, the Somali National Alliance, has promised on several occasions to attend talks on security matters with United Nations and American military officials. The faction attended a first meeting but left abruptly and has since boycotted all subsequent talks.

A meeting was scheduled Thursday to discuss military and security matters in the capital, but the militia again failed to attend.

Militia representatives and General Aidid have cited the prisoners and the arrest order against the leader as the two main obstacles to contacts with the United Nations.

A U.S. Army spokesman, Colonel Steve Rausch, said he had not heard the militia specifically raise the matters of the prisoners and the arrest order on General Aidid. But Colonel Rausch said, "If these one or two issues could be resolved, even in a halfway kind of way, I think that would clear the air."

American officials are anxious to begin talks with the militia to discuss plans to begin deploying thousands of American combat soldiers onto Mogadishu's streets to open major roads and begin some limited patrolling alongside other UN troops. American commanders said they would like to inform General Aidid's faction of their plans to avoid any misunderstandings and defuse possible confrontations that might arise once the U.S. troops took to the streets.

"The door is open," the colonel said. "We're here to discuss."

The Security Council is said to be working on a resolution that would address the question of the Somali prisoners, as well as what to do about the order to arrest the general.

Pure Science? Not Always

A Survey Finds More Misconduct Than Suspected

By Philip J. Hilts
New York Times Service

WASHINGTON — The first detailed national survey of misconduct in science has shown that it is not as rare as many scientists have said it is.

The study, published in American Scientist magazine, showed that 43 percent of students and 50 percent of faculty members reported direct knowledge of more than one kind of misconduct in their labs, from faking results to withholding findings from competitors.

From 6 to 9 percent of students and faculty members in various disciplines said they had direct knowledge of faculty members who had plagiarized or falsified data. One-third of faculty members, when asked about students, said they had direct evidence of such misconduct.

Lesser ethical violations, such as taking credit for work someone else did and misusing research money and equipment for personal work, were said to be far more common, ranging from about 7 percent to more than 60 percent, depending on the school and the offense.

The study by the Acadia Institute in Maine, which specializes in studies of professional responsibility, is the largest and the most detailed ever conducted in this much disputed area for science. It is the first study to try to quantify personal experience of misconduct in a large group.

Dr. Mark Frankel, director of the Scientific Professional Responsibility and Law Program at the American Association for the Advancement of Science, the largest general science organization in America, said, "This is a very important piece of work, giving empirical data to inform the long debate and discussion which has been going on in science."

Questionnaires were returned by about 2,600 of the 4,000 scientists and students at 99 big universities who were sent them. The respondents were not asked to identify themselves, but interviews were conducted with 80 of those who were sent questionnaires as a check on the larger survey.

The scientists, divided about evenly between faculty members and graduate students, were asked if they had ever seen scientific misconduct or had other direct evidence of it. In addition, they were asked about their attitudes toward different types of misconduct.

The study could not determine how much misconduct occurs in science, but only the perceptions of faculty members and students about how much misconduct they had experienced.

Dr. Judith Swazey, lead author of the article and head of the Acadia Institute, "It is impossible to determine how much misconduct actually occurs, but this measure, the perception of the problem by direct personal experience, may be just as important or more important."

The report also found striking differences between scientists' espoused values and their actual practices. In principle, 99 percent of the faculty members endorsed some degree of collective responsibility for the conduct of their graduate students, and 94 percent said they should take some responsibility for the actions of their fellow faculty members.

CRIMES: Balkans Tribunal in Hague Will Run Head-On Into a Crisis

Continued from Page 1

constitute the worst human-rights disaster in Europe since World War II. Fighting in Croatia and Bosnia has left tens of thousands of civilians dead or missing and driven more than a million people from their homes. Marauding bands of thugs have raped hundreds, perhaps thousands of women.

UN investigators say a lack of Western political will to put pressure on the paramilitary groups involved in most of these atrocities means they have little access to many areas where mass rapes, massacres and torture are said to have occurred.

On-site investigations of massacres and detention camps have largely halted because rival militias, especially the Serbs, routinely block the way. In a region reported to have 98 mass graves and 393 current and former concentration camps, UN teams have conducted fewer than 10 on-site investigations, according to the second interim report of the Commission of Experts in September.

The most recent setback came Nov. 2, when Serbian militiamen blocked a team of 60 UN investigators from reaching a site outside the Serbian-held Croatian city of Vukovar, where as many as 300 Croats killed by Serb forces in 1991 are believed to be buried. That rejection came despite written permission from leaders of the Croatian Serbs' self-proclaimed republic of Krajina. It also followed a time-consuming four-month wait for the international community to respond to a UN request for a military engineering unit to help exhume the bodies.

Despite bold statements in Western capitals, financial support for the effort is also weak. While the Security Council voted unanimously to establish the tribunal, only one of five permanent Council members, the United States, donated money to the Commission of Experts.

Islamic countries also have not provided funds, despite their support for the Bosnian Muslims, who have borne the brunt of the brutality. Sources for the tribunal's budget is also uncertain. While the body of 11 international judges and a prosecutor's office received an initial authorization of \$500,000 from the General Assembly on Sept. 10, it is unclear where the tribunal will get the rest of the \$31.2 million it is projected to need for its first year.

So far, the Commission of Experts has only enough money to support one person working full-time in on-site investigations. A female team of rape investigators that was to have been set up in September will not be ready until January.

Although the commission has put together a substantial data base of 40,000 entries at DePaul University in Chicago, the \$800,000 spent in that operation has come from outside the UN system — a grant from the New York-based Soros Foundation and support from DePaul.

"Not a penny so far from the UN," said Cherif Bassiouni, chairman of the Commission of Experts and head of the data-base operation. But even Mr. Bassiouni's operation, using 30 lawyers and volunteers, has come under criticism from inside the commission. Initially, it was thought that Mr. Bassiouni's group would assemble information for on-site investigators to explore. But so far, none of the on-site investigations have sprung from work done in Chicago, partly because of differences between Mr. Bassiouni and the chief on-site investigator, William Fenrick, UN officials said.

Frustration over these issues prompted Frits Kalshoven, the former chairman of the commission, to quit in September after nine months. Although the official reason was stomach ulcers, Mr. Kalshoven said in an interview that the real problem was the lack of support by important UN members "such as France and Britain."

Their version of support was in words, but not in action," he said. Mr. Kalshoven, a retired professor of international law, also blamed "bureaucratic entanglements at the United Nations," saying, "Every single thing had to be done through New York — from press releases to the buying of computers."

H.R. Haldeman, Nixon Aide, Dies at 67

By Richard Severo
New York Times Service

NEW YORK — H.R. Haldeman, President Richard Nixon's chief of staff, who went to prison for his role in the Watergate scandal, died of cancer Friday at his home in Santa Barbara, California. He was 67.

Mr. Haldeman was convicted in 1975 of perjury, conspiracy and obstruction of justice for his efforts in trying to cover up Watergate, one of the worst political scandals in American history. He served 18 months in prison.

The scandal developed in 1972 after some of the president's political aides were arrested as they planted electronic eavesdropping devices in the Democratic National Committee headquarters in the Watergate building complex in Washington.

Revelations that were developed in several investigations caused impeachment proceedings to be brought against Mr. Nixon, who resigned from office in 1974, still protesting his innocence. It was believed that the eavesdroppers were acting under White House guidance.

Although Mr. Haldeman said that his admiration for Mr. Nixon's abilities as a statesman never diminished, he asserted in his 1978 book, "The Ends of Power," that Mr. Nixon "initiated the Watergate break-in" and took part in its cover-up from "day one."

He also said his service as White House chief of staff was the "mountaintop experience" of his life. Mr. Haldeman said he was surprised when he first heard of the Watergate break-in. His reaction was to smile, he said. He recalled asking, "What was the Democratic National Committee? For what?" Still, federal prosecutors found he had played a criminal role in trying to cover up the break-in and the president's role in it.

To explain why so many people regarded him as a principal in Watergate, he said that "the press has created the image of me as a monster." Mr. Haldeman asserted that his own inclination was not to be sneaky, but to be direct and above-board with people. He acknowledged that there were times when he seemed "brusque" because he "chewed people out."

and power" and that he had the bearing of a "Prussian guard."

It was not only autocratic behavior that was attributed to Mr. Haldeman, nor even what Mr. Haldeman himself admitted to. He acknowledged that Mr. Nixon asked him to be his "Lord High Executioner" and that the president had always wanted "to go for the jugular."

Mr. Haldeman resigned on April 30, 1973. After his conviction, he was sentenced to 2 1/2 to 8 years in prison, later reduced to the period between June 21, 1977, and Dec. 20, 1978, all of which he spent at the minimum-security federal prison at Lompoc, California.

After his release, Mr. Haldeman became a businessman and business consultant. Among other things, he held the franchise on eight Steiner Family Steak Houses in Florida. He also dabbled in real estate in several locations.

Boston Harbor was nearly dry when colonists dumped tea to protest a British tax two centuries ago, according to a study of tidal conditions between 6 and 9 P.M. on Dec. 16, 1773, when the "Boston Tea Party" was held. Two Southwest Texas State University physicists, Donald W. Olson and Russell L. Doeschner, found that the water level was so low, because of a freak tide, that the water was only a few inches deep in some areas of the harbor, with mud flats everywhere. The tea "didn't splash down in the water," Mr. Olson said. "It was more like they would chuck it out and, thud, it would hit the mud."

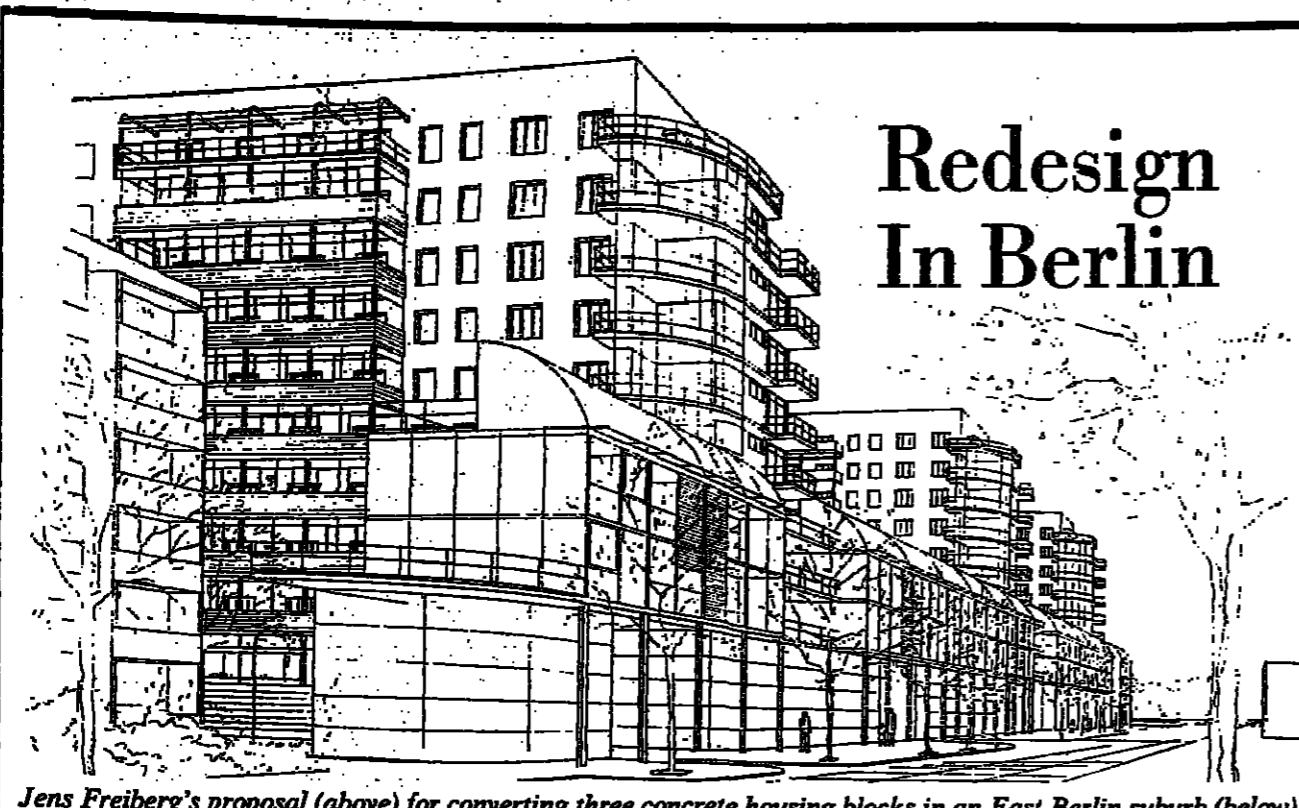
Arthur Higbee

AMERICAN TOPICS
Alcatraz Escapes May Still Be Alive
Spurred by new information from a former inmate, the U.S. Marshall's Service has revived its hunt for three bank robbers who escaped from the notorious Alcatraz Island penitentiary in 1962 and were presumed drowned or eaten by sharks, the Los Angeles Times reports.

Short Takes
Fingerprints can now be traced in hours — a job that once took days, weeks or even months — with the Automated Fingerprint Identification System, or AFIS, The New York Times reports. Debbie L. Benningfield, a fingerprint examiner with the Houston Police Department who has been working with the AFIS technology

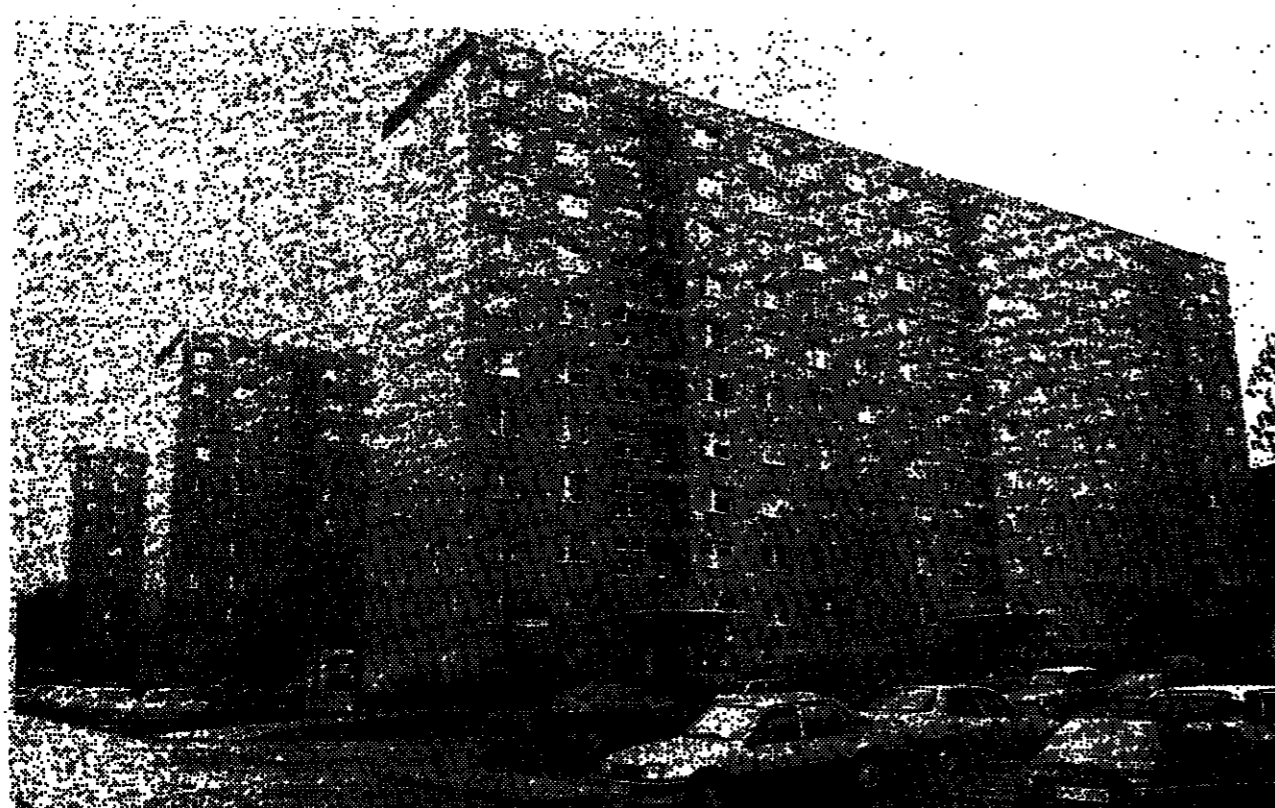
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Redesign In Berlin

Jens Freiberg's proposal (above) for converting three concrete housing blocks in an East Berlin suburb (below).



Putting a New Face on Communist Housing Horrors

By Ann Brocklehurst

BERLIN — The project proposes to turn a Communist-era housing horror into a residential, recreational and business community of the type currently favored by Western architects and urban planners.

Three neighboring apartment buildings, bare and unembellished concrete blocks, will receive new facades, windows, balconies and entrances. To link the 11-story apartment houses together, a glass-enclosed pergola-style structure will be built along one side. A three-story building will provide space for shops, cafes, community groups and more housing.

The courtyard-style enclosures created by the new structure will be decorated with trees and hedges. There will be playgrounds and roof gardens as well.

Architect Jens Freiberg's prize-winning redesign of Wuhlestrasse in the East Berlin suburb of Marzahn is a pilot project that is being closely watched. Some 800,000 East Berliners, or two thirds of the population, live in similar conditions in "der Platte" — slang for prefabricated buildings constructed from concrete slabs.

According to a study by the Berlin Senate, many of the buildings are in urgent need of repair. Politicians and urban planners are also worried that the housing projects, designed and executed as models of social egalitarianism with professors living next

door to factory workers, will deteriorate as better-off residents start to move out.

"You can only do so much under these conditions. But you can create a more pleasant quality of life," said Freiberg. He noted that in East Berlin's housing projects, there is usually plenty of room between buildings. By adding new buildings in areas that are now nothing more than wind tunnels, he said, "You can give the space meaning. It starts to have the quality of a city and loses the barracks quality."

One obstacle to the redesign, however, is that most Platte dwellers don't see their homes as barracks. According to polls, and contrary to outsiders' expectations, 70 percent of the residents are satisfied or very satisfied with their homes, and 60 percent want to stay there. While tenants definitely want their most pressing plumbing and heating troubles looked after, most are not interested in what they see as fancy and unnecessary renovations that will raise the rent.

Freiberg, a German whose office is in Paris, has worked at improving large-scale social housing projects in France and says it is important that tenants be able to afford any planned changes. If rents are raised too high, it can lead to rent strikes and from there to chaos, he said.

The Wuhlestrasse project is budgeted at 10 million Deutsche marks (about \$5.9 million) with funds coming from the Berlin Senate and the federal government. Tenants have been told they can expect their rents to double over the next 20 years as they reap the benefits of renovation and more pleasant

surroundings. It's a nasty shock for people who are already paying several times as much as they were under communism, when housing was heavily subsidized.

At a recent meeting, residents expressed worries about higher rents, construction noise, fewer parking spots and loss of light in apartments on lower floors. Freiberg said, however, that they are a lot more receptive to the plan than when it was announced in February.

It is his experience that small changes such as clearly identifying entrances and giving each one its own individual look, can make a very big difference. "When you can hardly see the doorway and don't know which is the front and which is the rear of the building, it's bad," he said. "This kind of improvement work is not usually done by well-known architects because it's not spectacular. To plan a new building is easier."

Freiberg believes that housing projects like the ones dominating the suburbs of East Berlin require continuous investment and planning to develop properly. The Senate's study estimates that 17 billion DM, or an average of 85,000 marks per apartment, will have to be invested by the year 2010, but that is still only a quarter of the cost of building new housing.

"The architects who designed this had a very reduced vision of what life in a city can be," Freiberg said. "But if a good quality of life can be achieved, new people will come."

Ann Brocklehurst is a journalist based in Berlin.

Contemporary, and Historic

NEW YORK — The art market is recovering at lightning speed. This week it was the Contemporary art scene that was illuminated with an outburst of activity not seen since the market collapse in the fall of 1990.

Christie's was first to test the waters on Tuesday night. It was an astonishing experience. The large rooms packed beyond capacity alone said everything about the renewed interest in buying. So too did the outcome. With 50 out of 62 works sold, adding up \$15.9 million. Christie's could not have done better, given the relative modesty of the offerings, so hesitant have vendors been.

The most striking point, later confirmed by Christopher Bunge, president of Christie's America who has been conducting such sales for many years, was the sea of new faces — not just spectators but participants in the action.

This was highlighted when the star picture, Arshile Gorky's "Year After Year," done in 1947, climbed to a world record \$3.8 million. A fever of curiosity seized dealers as they tried to pierce the identity of the mystery man, who bid in person. He turned out to be Jay Glazer, who seems to be a California collector hitherto unknown as a major player. The new breed of buyers, it would appear, is better prepared for the game than the wave of the late 1980s. Understanding the importance of discretion is part of it.

As for Glazer's choice, it could not be more judicious. "Year After Year" is painted in the Abstractionist style that the Armenian-American artist developed toward the end of his life. It retains faint suggestions of a figural element — a landscape Gorky could see not far from the house where he lived in Sherman, Connecticut. Nothing of that size and importance within his oeuvre, as understood by contemporary art experts, has been seen in the market for years. Hence, the competition it triggered.

HAD the market been "tepid," as a commentator put it, the Gorky could have been crushed by contrast the rest of the sale into insignificance.

Instead, it appears to have operated as a catalyst. The timid reaction lasted as long as Lot 1, a modest Alexander Calder mobile briefly dispatched at \$118,000. But beginning with Lot 2, paddles started being waved with growing zest. Did the spoozy nature of David Smith's "Spectre of Mother" wake up the attendance? The bronze and welded-steel piece, suggestive of a French Army officer in profile — add the long nose and General de Gaulle springs to mind — shot up to \$222,500, this time exceeding the high estimate by one-third.

The sale was on track. Work of no consequence found grace in the eyes of the public. Ellsworth Kelly's "Wave Motif Relief II," which deceptively looks like one piece of cutout plywood painted white and slapped on another

white panel, rose to \$145,500, making the white wood quite expensive per square inch.

So were the porcelain shards and other bits recycled by Calder in a "Fish" mobile as early as 1942. The artistic endeavor consists of a red rod outline with scales in twisted wire, from which the fragments dangle at the end of strings. Calder was modest about it. He sold it in 1945 for \$400, down from \$750, his initial asking price. The 92.7-centimeter (36.5-inch) mobile next turned a multiple somersault in 1986 at Christie's New York, when it made \$187,000. This time it flew to a costly \$376,500. Soon, it became clear that "historic contemporary" as I called it in November 1986 in connection with the Robert C. Scull sale is once again in demand — precisely as it was then when contemporary art really took off. A composition of formless squares and strokes in three columns topped by three blobs — red, black, red — floating in white, done in 1956 by Adolph Gottlieb, exceeded its estimate as it climbed to \$277,500. Even Helen Frankenthaler, difficult to sell at auction, but represented here by one of her finest works, pulled through. "Swan Lake II," dated 1961, is vaguely suggestive of silhouettes in a shadow theater. It brought \$255,500.

Morris Louis, who died in 1962, was well received. "Number 25" (nine bars of solid color on white) made \$244,500. "Beta Tau," with curving colored lines cutting across the lower corners of a huge white rectangle 487.5 centimeters long, surpassed it at \$347,000.

These successes were unfortunately marred by one big failure: a composition without a title done by Cy Twombly in 1969. No buyer saw sufficient beauty in the six rows of white doodles on gray to justify the \$1.8 million to \$2.2 million estimate. The picture fell at \$1.5 million. If Twombly's doodling, which resembles to near perfection a 10-year-old's prowess in the schoolmaster's absence, could thus fail those who pinned such high hopes on him, was the market really that strong, the Dubbing Thomases queried?

They need not have worried. On Wednesday night, Sotheby's performance clinched it. With a sale that looked decidedly weaker, it managed to sell 54 of 68 lots for \$13.9 million. Dealers were ecstatic. Once again, historic contemporary did it. It started when a San Francis composition painted in 1959 in the splashy style known as Abstract Expressionism exceeded expectations at \$10.4 million. John Marion, who was holding the hammer, almost giggled with surprised relief. He must have felt like singing as another untitled Twombly, dated 1969, made it to \$1.7 million. Was it because this looks like an oversized scribble in pencil, with some awkward geometrical figure and lettering, not just plain doodling? Experts may ponder the mystery.

A third surprise was David Hockney's giant-

tic pseudo-naive image of 1964. "California Art Collector" shows a figure perched on the edge of a chair while a faceless character stands near a pink wall with a big gray profile painted or hung on it.

As it made an unexpected \$1.02 million, the more sharp-eyed dealers got really curious. It was Glazer again. If he truly is the buyer of the two pictures, the newly revealed California art collector will have a power to be reckoned with. He definitely gave the auction a shot in the arm.

Within 10 minutes, "Constellation," a very large Calder mobile on a stand done in 1960, became the night's sensation. It was acquired from the artist in 1961 by Vera Neumann, who died this year. The "artist, designer and entrepreneur," as Sotheby's tersely sums her up, collected contemporary artists of the 1960s as well as earlier celebrities such as Matisse and Braque. She bought "Constellation" for her house (designed by Marcel Breuer) in Croton, New York. So much history proved more than the equanimity of art lovers could withstand. The mobile moved up to a world record \$1.8 million and the room broke out in thunderous applause.

THE four important lots cleverly interspersed among the small fry undoubtedly sustained the rest of the sale. But earlier in the afternoon a seemingly minor session, one of those so-called "Part II" sales, which was being conducted by Burge at Christie's played its role in building up the new confidence — which, ironically, benefits Sotheby's the most. Burge confirmed in an interview what no observer could see. With the exception of only two out of 144 lots, he had someone, often several people, expressing interest on the phone. This, he said, is an unprecedented occurrence in a Part II sale. Dealers and auction room buffs could see for themselves that bidding went on with unabated enthusiasm. The effect on Sotheby's evening sale was substantial, and on Thursday, Sotheby's Part II sales did just as well. Again, the crowd was a telling sign of a market with lots of new players, eager to buy.

Contemporary art is now selling roughly at 35 to 40 percent of the level artificially achieved at the height of the market, with the top closer to 70 to 75 percent. It has suddenly made up for its failure to improve in the United States in the last 12 months, when Impressionists and Modern Masters were regularly progressing, Burge notes.

One factor will continue to stimulate the market for months to come. As Diane Upright, head of Christie's Contemporary Art Department, notes, fortunes have been built on the stock exchange in the last two years. "These people have been told by colleagues with longer exposure to the art market that prices are at a bargain level." There is every reason for professionals to be optimistic.

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FOR SALE / SOLD

The Strissand collection: Christie's will auction off a collection of decorative art owned by Barbara Strissand on March 3 and 4. Preview exhibitions will be held in Paris, Tokyo, Los Angeles and New York, Christie's said. The first auction will include 20th-century pieces in Strissand's collection and the second will cover art from the 18th century through the 20th century as well as memorabilia of the singer's career. Strissand's Art Nouveau and Art Deco collections include some of the finest 20th-century pieces to be offered in some time, Christie's said. Included are a Tiffany Cobweb lamp, a Gallé Elephant vase and a bronze sculpture by Jacques Lipchitz.

Mozart love letter: A letter from Wolfgang Amadeus Mozart, which may have unwittingly tipped off his disapproving father to a secret love affair, goes to auction next month, Sotheby's said. The letter, written to Leopold Mozart sometime before the end of September 1781, bore the handwriting of the composer's future wife but then-secret love, Constanza, on the reverse side, the auction house said. Leopold disapproved of Constanza Weber, whom he considered too young and flighty for his son. Mozart had denied to his father that there was any truth in rumors about their liaison. The composer did not openly declare his love for Constanza until December 1781, marrying her the next year. The letter will be offered with a handwritten manuscript by Mozart for two previously unrecorded keyboard

works, one dating from a visit to London when the composer was about 9 years old.

Silver spoon: A 600-year-old silver spoon found in the thatched roof of a Devon farmhouse fetched £24,000 at auction. The six inch (15 centimeter) spoon, made in 1380, was discovered by a workman repairing the roof of the medieval farmhouse in Bridford, southwest England, in 1982.

Constant watercolors: Two previously unknown watercolors by the 18th-century English artist

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THE TRIB INDEX: 110.24

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 7, 1992 = 100.

World Index
110.24 Close: 110.24
Previous: 109.55

Asia/Pacific
Approx. weighting: 32%
Close: 128.52 Prev.: 125.43

Europe
Approx. weighting: 37%
Close: 108.00 Prev.: 107.257

North America
Approx. weighting: 29%
Close: 95.92 Prev.: 95.38

Latin America
Approx. weighting: 5%
Close: 108.27 Prev.: 104.98

The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and elsewhere. It is composed of the 30 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors	PL	Prev.	% change	PL	Prev.	% change
Energy	108.51	108.00	+0.21	104.56	103.61	+0.72
Utilities	115.79	114.76	+0.90	105.08	103.91	+1.13
Finance	119.71	117.40	+1.97	94.34	93.13	+1.30
Services	119.56	118.42	+0.96	122.86	121.57	+0.90

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Retail Sales In U.S. Set Faster Pace

Compiled by Our Staff From Dispatches WASHINGTON — Sales at U.S. retail businesses in October climbed at the fastest rate in six months, the Commerce Department reported Friday, boosted by strong demand for new cars and building supplies.

Last month's 1.5 percent jump in sales, to a seasonally adjusted \$177.3 billion, followed a 0.1 percent rise in September.

It was the biggest monthly sales gain since a 1.9 percent increase in April and outstripped economists' forecasts that sales would rise by 1.2 percent.

Excluding automobiles, retail sales rose by 0.9 percent, after a 0.6 percent increase in September.

Auto sales surged 3.6 percent last month, the strongest in a year, after a 1.7 percent decline in September. Buying was propelled by low interest rates and by pent-up demand.

With homebuilding on the rise in response to lower mortgage rates, sales of building materials and hardware climbed a strong 3.5 percent in October after a 1.3 percent increase in September.

General merchandise store sales rose in October by 1.1 percent, after gaining 0.9 percent in September.

The report fits with analysts' predictions of strong economic growth in the fourth quarter.

Separately, the prices of previously owned homes rose during the third quarter because of higher demand sparked by lower mortgage rates, the National Association of Realtors said.

Nationally, sales rose 15.1 percent to a seasonally adjusted annual rate of 4.27 million units in the quarter. The realtors' group said the rate was the highest recorded since it began its survey in 1981.

The median price jumped 6 percent in the South, to \$97,400, and 5.2 percent in the Midwest, to \$85,700. Both regions recovered relatively early from recession.

Prices in the Northeast, which has been slow to recover, slumped 2.2 percent, to \$140,400.

California, whose economy remains depressed, curbed overall appreciation in the West, which posted a 1 percent loss despite double-digit gains in some areas.

(Reuters, AP, AFP)

Instant Riches in Romania? Ponzi Scheme Seems Close to Collapse

By Jane Perlez New York Times Service

CLUJ, Romania — In the last year, tens of thousands of poor people have metamorphosed into virtual princes in this shabby city, buying refrigerators, cars and even vacations abroad with the 800 percent profits they won in a financial scheme that has involved an estimated three million Romanians.

But the winners are the lucky ones. The Ponzi-style pyramid scheme is on the verge of collapse after having captured \$1 billion in savings of up to three million investors. Now many face the prospect of their meager savings being wiped out.

At the office of the scheme, known as Caritas, or "charity," depositors wanting to claim their profits after three months, the announced waiting time, have been turned away for several weeks. The founder of Caritas, a bookkeeper named Ioan Stoica, who until this week has been a national folk hero, harshly told a desperate elderly man at the scheme's office in the mining town of Petrosani on Friday that he was "ruining the game" by demanding gains from money deposited in July.

The game has been good to Mr. Stoica: Some Romanian economists estimate he could have made as much as \$40 million for himself.

Inside the office, two dozen young women this week sat behind computers in an empty room waiting for customers. A month ago, the crush was so great that people slept overnight in tents outside the sports stadium here waiting to make deposits, sometimes only 2,000 lei (\$1.87 at the official exchange rate) sometimes pools of 200,000 lei

gathered in factories. Those people, whose average wage is about \$60 a month, are almost certain never to see their money.

Romanian and Western bankers warned this week that failure of the scheme, which started more than a year ago and has been allowed to spiral out of control by the government, portends grave social and economic consequences in Eastern Europe's most depressed country.

Pyramid schemes, which have popped up in various countries during hard times, survive for as long as rising returns can lure investors. Caritas promised a particularly spectacular payback of 800 percent after three months. But deposits cannot rise exponentially forever. It is a matter of time before funds evaporate and investors get cold feet or the authorities shut the scheme down.

Early on, Caritas got some people rich. Politicians and businessmen are reported to have cashed in early and even been given their paybacks without having to wait the full three months.

But the last investors — including the tens of thousands of peasants, factory workers and miners who trekked in on special buses, trains and even donated cars to Cluj this summer and fall — seem destined to lose.

Some Romanian officials said they feared a violent backlash from the nation's miners, whose union leader, Miron Cosma, inexplicably embraced the scheme during its last gasp several weeks ago.

"I'm really very concerned," said Dan Pascariu.

See PONZI, Page 10

Pressure Mounts On Euro Disney As Stock Skids

By Jacques Neher International Herald Tribune

PARIS — Several million European investors who were seduced four years ago by the glittering Disney magic into helping create the Euro Disney theme park, are finding out the hard way that there are no sure things.

The pessimists say investors in Euro Disney SCA, the company that operates the park east of Paris, could be wiped out entirely if Walt Disney Co. fails to come to terms with lenders on a refinancing package and lets the operating company fail.

Such a "doomsday scenario" would put the Los Angeles film and leisure giant in position to take over direct control of the park and its assets, paid for mostly by European investors.

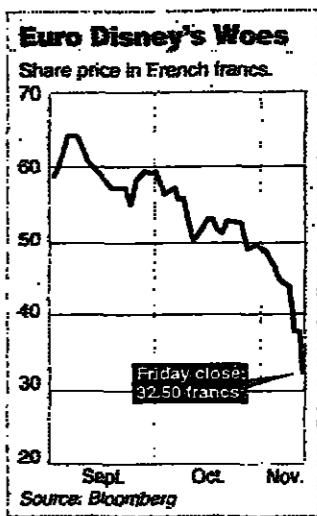
"If push comes to shove, I see the doomsday scenario as a definite possibility," said Richard Cochran, an analyst who watches Disney with Protective Group Securities of Minneapolis. "It would show that Mickey Mouse has some teeth when pushed against the wall."

In Paris, Euro Disney shares plummeted nearly 15 percent Friday, to 32.50 francs (\$5.50) from 38 francs on Wednesday; the French market was closed Thursday for a holiday. The drop Friday in Paris followed a plunge Thursday in London, where Euro Disney closed 66 pence lower, at 370 pence (\$5.47).

On Wednesday, the company announced that it had a loss of 5.34 billion francs in its first financial year and that Walt Disney Co. had agreed to provide it with operating cash "for a limited period."

Had Walt Disney not provided the guarantee, Paris analysts say, Euro Disney would have had to immediately recapitalize or declare bankruptcy under French law.

The stock, which was issued in 1989 at 72 francs, soared to 164



Japan Puts Up Costly Obstacles, Study Says

WASHINGTON — Tokyo's trade barriers cost Americans about \$100 billion a year in lost sales and have raised the cost of living for the Japanese, according to a study released by an American research group Friday.

The prognosis came days after the United States renewed brusque calls on Japan to tame its persistent trade surplus, and a week before President Bill Clinton is due to meet his Japanese counterpart.

"When President Clinton meets Japanese Prime Minister Morihiro Hosokawa in Seattle next week, he can bring dramatic new evidence that Japan's relative import behavior hurts both countries," the Economic Strategy Institute said in its report.

According to the study, if Japan operated like other industrial powers, it would be buying at least \$200 billion more a year from the rest of the world, at least a quarter from Americans.

The study was co-written by Clyde V. Prestowitz Jr., chairman of the Economic Strategy Institute and a former Commerce Department specialist on Japan. Over the years, he has been one of the most insistent critics of Japanese trade policy. The Economic Strategy Institute has advocated confrontational U.S. trade policies.

On top of the \$50 billion to \$75 billion in lost U.S. manufacturing sales, the study estimated that Tokyo's trade barriers block \$44 billion in services such as banking and insurance.

"The size and composition of the Japanese trade surplus is creating ongoing trade friction and holding down growth with the rest of the world," the study said.

Mr. Clinton has accused Japan of running a closed shop, either openly, such as by barring foreign rice, or covertly, by doling out business based on contacts rather than merit.

As for specific gains if Japan mends its ways, the study predicted \$69 million in apple exports, \$138 million in steel sales and \$32 million in rice shipments, to name but three.

An open import regime in line with systems embraced by other big powers would also result in "a sizeable increase in job creation, a significant reduction in the U.S. budget deficit and a

rise in the national savings rate," the study said.

The report said that if Tokyo cut its trade surplus, which U.S. officials expect to hit \$140 billion this year, Japanese inflation would slow, real wages would rise and upward pressure on the yen would subside.

More imports would increase competition, lower prices for Japanese consumers and thereby raise their living standards, the study said.

The nation of savers would start to spend more of their hard-earned cash, and the yen would weaken by about 10 percent, the group said in its report.

Economists and some U.S. officials have contended that a strong yen, which makes Japanese products less competitive and cheapens U.S. exports, would help cut the surplus.

But the study poured cold water on the efficacy of such a strategy.

"The low sensitivity of U.S. exports and imports with Japan to exchange-rate changes implies that a huge additional appreciation of the yen would be necessary to have any significant impact," the institute said.

ECONOMIC SCENE

The Price of Trade Barriers

By Sylvia Nasar New York Times Service

NEW YORK — Ross Perot and other critics of the North American Free Trade Agreement have hammered away at how many American jobs would be lost if the United States let down barriers to Mexican imports. What has gotten much less attention is the cost of keeping those barriers: How much Americans pay in higher prices when they protect other barriers used to protect jobs, and how effective such protection is in shielding workers from job losses.

Almost all economists agree that the price of protecting jobs with trade barriers is high.

First, there is the cost of the tariffs themselves, which amount to billions of dollars a year. Then there are other, less visible costs as well, including greater inefficiency and bigger profits for foreign and domestic producers, which are harder to measure, but also very large.

Gary Hufbauer and Kim Elliott, two pro-NAFTA trade experts at the Institute for International Economics, estimated that Americans effectively spend about \$32 billion more each year on purchases of goods and services than they would if there were no barriers to goods enter-

ing this country. Their figures, drawn from surveys of 21 industries with sales of \$1 billion or more that the United States protects most heavily, suggests that the price of protection amounts to \$170,000 a year per job saved.

The authors note that this is many times the pay in the jobs being protected — as well as

many times what it would cost to retrain a worker to learn a new trade.

Some advocates of protection for key industries argue that the calculations include only the costs, but not the benefits of protection. Jeff Faux, president of the Economic Policy Institute, a union-backed think tank, is one who calls the Hufbauer-Elliott figures "way overblown."

A neoeconomist who has provided some of the intellectual

Western Tobacco Goes East

Ex-Communist Markets Hold Big Promise

By Richard W. Stevenson New York Times Service

PRAGUE — Andreas Gembler, head of Philip Morris International tobacco operations in Eastern Europe and the former Soviet Union, points to a simple statistic to explain the company's decision to sink nearly \$1 billion into the region after the collapse of communism: There are 700 billion cigarettes sold there annually, making the market 40 percent larger than that of the United States.

"No industry can ignore the consumer in this part of the world," Mr. Gembler said.

But at the Czech Ministry of Health, Dr. Jiri T. Kozak is pondering another statistic. The percentage of Czechs who are smokers, he said, has risen to 37.5 percent, from 35 percent in 1989, when the Berlin Wall fell and Eastern Europe began opening its markets to, among others, the Marlboro Man, Joe Camel and the rest of the Western tobacco industry.

With the arrival of the transnational tobacco companies and the beginning of aggressive advertising, the prevalence of smoking was decreasing," said Dr. Kozak, an adviser to the ministry who is helping to prepare legislation to restrict cigarette advertising.

Confronted with flat or shrinking markets in America and Western Europe, as well as a sharp drop in profits in the United States, to-

pay more than \$200 million to acquire control of the government-owned cigarette factory. Still to come are privatization programs in Poland and the full-scale opening of the tobacco industry in Russia.

A look at the biggest deal completed so far — Philip Morris's acquisition of a controlling stake in Tabak, the formerly state-owned tobacco company in the Czech Republic — shows the potential and pitfalls for the industry.

Philip Morris, the largest tobacco company in the world, won a bidding war by agreeing last year to pay \$400 million to acquire a controlling interest in the company and modernize its five plants.

Philip Morris got factories that were considered among the best in

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France	2,400	28	1,200
Germany	1,900	28	1,070
Italy	700	28	385
Japan	210	28	115
Spain	75,000	28	41,000
Sweden	230	28	125
Switzerland	500,000	28	275,000
United Kingdom	14,500	28	7,700
USA	770	28	420
West Germany	3,300	28	1,800
Portugal	47,000	28	25,000
Spain	48,000	28	25,500
France (airmail)	35,000	12	27,500
Germany (airmail)	3,100	28	1,700
Italy (airmail)	2,500	28	1,300
Japan (airmail)	610	28	325
Switzerland (airmail)	630	28	345
USA (airmail)	780	28	420
West Germany (airmail)	900	28	485

CURRENCY & INTEREST RATES

Cross Rates	Nov. 12	Eurocurrency Deposits	Nov. 12
American \$	1.00	Dollar	1.00
British £	1.66	D-Mark	1.78
French F	6.55	Swiss Franc	1.48
German M	1.93	Sterling	1.66
Italian L	2.00	French	1.66
Japanese Y	163.6	Yen	136
Spanish P	166.3	ECU	1.93
Swedish S	8.48		
Swiss F	1.48		
US Dollar	1.00		

Key Money Rates	Close	Prev.	3-month	6-month	1-year
3-month Treasury bill	7.25	7.25	7.25	7.25	7.25
3-month Treasury note	7.50	7.50	7.50	7.50	7.50
6-month Treasury note	7.75	7.75	7.75	7.75	7.75
1-year Treasury note	8.00	8.00	8.00	8.00	8.00
3-month Eurodollar	7.25	7.25	7.25	7.25	7.25
6-month Eurodollar	7.50	7.50	7.50	7.50	7.50
1-year Eurodollar	7.75	7.75	7.75	7.75	7.75

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MARKET DIARY

Tobacco Rally Lifts Dow as Bonds Soar

NEW YORK — Stock prices advanced Friday after a stronger-than-expected retail sales report for October. Bonds also moved higher. The Dow Jones industrial average added 22.08 points, to 3,684.51, according to an unofficial close. Advancing stocks outperformed de-

The bond market initially dropped after the retail sales report for October but then rallied as a drop in consumer confidence cast doubt on the strength of the economic recovery. The University of Michigan's preliminary consumer sentiment index for November fell to 82 from 87.7 in October. The 30-year bond climbed 31/32, to 101 13/32, for a yield of 6.14 percent.

Shares of some retail stocks rose on the sales report. Sears, Roebuck gained 1/4 to 56 1/4. Dillard Department Stores 1/4 to 39 1/4 and Dayton-Hudson 1/4 to 72 1/4. Telefonos de Mexico rose 1/4 to 55 1/4. Blockbuster Entertainment gained 1/4 to 30 1/4. Its 13-million-share offering was priced at \$30 a share late Thursday.

Another heavily traded gainer on the Big Board was Lewis Calcoob. The toy company's stock surged 1 1/2 to 10 amid reports that its toys tied to the television program Biker Mice from Mars will be hot sellers this holiday season. (Knight-Ridder, Bloomberg, UPI)

N.Y. Stocks
Volume was heavy, nearing 333 million shares. Stocks were largely propelled by a tobacco-company rally, with RJR Nabisco rising 3/4 to 74 amid rising cigarette prices. Philip Morris moved up 2 1/4 to 59 and American Brands gained 1 to 35 1/4 after the companies informed distributors that they were increasing cigarette prices.

Stone Container rose 1 1/4 to 10 1/4 amid strong industry data that boosted other paper and forest products stocks as well. International Paper added 1/4 to 65 1/4. Federal Paper 1/4 to 23 1/4. Temple-Inland 4 1/4 to 50 1/4. Weyerhaeuser 1 to 44 1/4 and Georgia-Pacific 3/4 to 74 1/4.

Trade Fears Undercut Dollar Against Yen

NEW YORK — The dollar tumbled against major currencies on Friday, falling to a four-week low against the yen amid concern Congress would not pass the North American Free Trade Agreement next week.

The dollar hit 105.60 yen, its lowest level since Oct. 13, before closing at 105.685 yen, down from 105.405 at Thursday's close. It slid to 1.6848 Deutsche marks from 1.6934 DM, to 5.8670 French francs from 5.9000 and to 1.4890 Swiss francs from 1.4971. The pound gained sharply, rising to \$1.4923, from \$1.4754.

If Nafta fails, "Japan will have less incentive" to reach a trade agreement with the United States, said David Gilmore, senior foreign-exchange analyst at MCM CurrencyWatch. Traders are concerned that Washington could again call for a stronger yen if Japan does not make trade concessions, he said.

The dollar plunged more than 20 percent against the yen earlier this year as Mr. Clinton and his aides said a strong yen could curb Japan's trade surplus by making the country's exports more expensive. Also contributing to the yen's rise Friday was repatriation of overseas Japanese assets related to the growing troubles of many Japanese corporations, seen most clear-

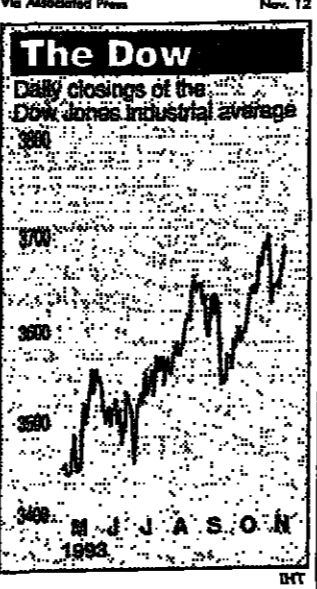
ly in the slump on the Tokyo Stock exchange, dealers said. "The yen's up because a fair amount of repatriation is going on," said Earl Johnson, foreign exchange economist at Harris Bank & Trust in Chicago.

The dollar's fall against the mark came after a morning rally triggered by a strong 1.5 percent gain in October U.S. retail sales. The early gain gave the market an easy excuse to wind up the week by taking profits.

Dealers found their reason to sell dollars in the news that the University of Michigan's consumer sentiment index fell in early November, while the survey's consumer expectations index also declined. The data cast doubt on whether consumers can keep buying with abandon. (Bloomberg, Knight-Ridder)

Foreign Exchange
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The Dow Jones Industrial Average

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Actives. Includes stocks like RJR Nab, Dillard, Sears, etc.

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Table with columns: Open, High, Low, Last, Chg. for Dow Jones Averages. Includes Industrial, Finance, etc.

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Table with columns: High, Low, Close, Chg. for NASDAQ Indexes. Includes Composite, Finance, etc.

Table with columns: High, Low, Close, Chg. for AMEX Stock Index. Includes Finance, etc.

Table with columns: High, Low, Close, Chg. for Dow Jones Bond Averages. Includes 20 Bonds, etc.

Table with columns: High, Low, Close, Chg. for Market Sales. Includes NYSE, etc.

Table with columns: High, Low, Close, Chg. for N.Y.S.E. Odd-Lot Trading. Includes Buy, Sell, etc.

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U.S./AT THE CLOSE

Philip Morris Matches RJR Price Rise

NEW YORK (Combined Dispatches) — Philip Morris Co., matching a move earlier this week by R.J. Reynolds, said Friday that it would raise the price of all its cigarette brands by the equivalent of 4 cents a pack on a retail basis.

Philip Morris stock rose \$1.875 a share to \$38.625 in active trading on the New York Stock Exchange, as the prospect of a price war faded further. In a memorandum to wholesalers, the company said that effective Monday it will charge \$2 more per 1,000 cigarettes. That is equal to 4 cents a pack, a spokeswoman said.

Also on Friday, American Brands said its American Tobacco Co. unit is raising prices by \$2 per 1,000 cigarettes on its full-priced and discount brands. Brown & Williamson also raised most cigarette prices about 4 cents a pack effective Friday. (Knight-Ridder, AP)

Viacom Gets Finance for Paramount

NEW YORK (Combined Dispatches) — Viacom Inc. said Friday that its bank lenders had boosted their total commitment to \$4.8 billion to finance its sweetened S&S-a-share proposal to acquire Paramount Communications Inc.

Viacom said that it had therefore waived the financing condition specified in its cash tender offer for Paramount. Morgan Guaranty Trust Co., Citibank and Bank of New York are the managing agents for the new facility. The previous credit facility was worth \$4.5 billion.

Viacom said the new credit includes a \$3.7 billion senior unsecured revolving acquisition facility, and a \$1.1 billion bridge term loan. (Reuters, Bloomberg)

Novell's Chief Executive to Resign

PROVO, Utah (Reuters) — Novell Inc., the computer networking company, said Friday that its chief executive, Raymond Noorda, would step down by June but stay on as chairman.

Mr. Noorda said, "At 69, it is natural for me to be looking for a successor, and I expect to have one in place long before my birthday in June of next year."

As for the successor, analysts said Novell has top people who could fill the job but it might be worth following International Business Machines Corp. by going outside for "fresh blood."

United Airlines May Split to Cut Costs

WASHINGTON (WP) — United Airlines could dismember itself in an effort to slash costs if negotiations to sell the airline to its employees fail, according to documents prepared for the company's board.

Under plans prepared by United's investment advisers and its top management, a key option being considered by the largest U.S. airline is to subdivide itself into a "long route" carrier for domestic and international flights and four regional airlines to handle short-haul flights. United shareholders would be given a stock in each of the corporate entities.

The company documents, which surfaced Thursday, outline a "go it alone" road to lower costs if United cannot negotiate a sale to its unions under terms that would accomplish the same goal. If the company were to attempt to act without union accord, however, it would court major conflict with its employees, according to union leaders. The unilateral plan being considered by United would cost the unions thousands of jobs and force contract concessions by those union workers who remain.

For the Record

AT&T Network Systems, the manufacturing unit of American Telephone & Telegraph Co., said it had sold an electronic switching system with a capacity of 160,000 lines to the Post and Telecommunications Office of Changchun City in China. (Bloomberg)

General Motors Corp. reached tentative agreement in Detroit on a labor contract covering about 20,000 electrical and components workers, averting a possible strike after midnight Friday. (Bloomberg)

AlltelSigsal said it had completed its acquisition of Sundstrand Corp.'s Data Control business for \$195 million. (Bloomberg)

WORLD STOCK MARKETS

Table with columns: Country, Stock Name, High, Low, Last, Chg. Includes Hong Kong, Singapore, etc.

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PONZI: Get-Rich-Quick Scheme Is Looking Shaky

Continued from Page 9
chairman of the Romanian Bank of Commerce, adding that he estimates that three or four of every eight Romanian families had invested.

The effects of the scheme's crash are likely to be particularly severe, economists said, because it comes as the Romanian government is preparing to sign an agreement with the International Monetary Fund. Under the agreement, Romania will receive \$300 million in IMF loans plus \$200 million from elsewhere but in return must take austerity measures that will result in higher fuel and food prices.

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U.S. FUTURES

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EUROPE

Profit at Unilever Held Back by Weak Sales of Ice Cream

LONDON — Shares in Unilever slumped as the food and consumer products conglomerate on Friday reported that poor weather in the third quarter in Europe had slashed ice cream sales and left only a modest profit rise.

Umberto Agnelli Leaves Fiat Board For Family Firm

MILAN — Fiat SpA announced a management reshuffle that indicates the Agnelli family is taking tighter control of its investment vehicles, and Umberto Agnelli is no longer likely to take over as head of Fiat.

Eurotunnel to Sue U.K.

LONDON — Eurotunnel PLC, the company that will operate the rail tunnel link between Britain and France, said Friday that it would seek compensation from the British government and British Rail over delays in upgrading train service.

Britain Posts First EC Surplus

LONDON — British government figures released Friday showed a trade surplus with other EC countries in August, the first yet recorded.

Investor's Europe

Table with columns for Exchange, Index, Friday Close, Prev. Close, and % Change. Includes data for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, Amsterdam CBS Trend, Brussels Stock Index, Frankfurt DAX, Frankfurt FAZ, Helsinki HEX, London Financial Times 30, London FTSE 100, Madrid General Index, Milan MIB, Paris CAC 40, Stockholm Affarsveeriden, Vienna Stock Index, and Zurich SBS.

Very briefly:

- Volkswagen AG and the union IG Metall have agreed on the principle of a four-day week next year but not on pay; VW proposes a 20 percent salary cut and a 28.8-hour week, down from 36 hours, but IG Metall says the pay cut should be smaller.
- French consumer prices rose 0.2 percent in October, according to provisional figures, making an increase of 2.2 percent in the 12 months through October and a rise of 2.1 percent since the beginning of 1993.
- Nissan Motor Co. will reduce output in 1994 at its plant in Sunderland in northern England and offer incentives for some workers to leave; in response to declining car sales in Europe, production will drop to fewer than 240,000 vehicles from an anticipated 246,000 this year.
- Forskrings Skandia AB said it had applied for a license to start operating a bank, to be called Skandabanken, at the beginning of 1994; the Swedish insurer said the bank initially would be capitalized at 100 million kronor (\$12.1 million).
- Astra AB, a Swedish pharmaceutical concern, said its nine-month pretax profit jumped 69 percent to 5.78 billion kronor.
- Allianz AG Holding called for more government support to help it overcome trade restrictions and other obstacles to foreign insurers in Asia; its chief executive, Henning Schulte-Nölde, is joining Chancellor Helmut Kohl on a trip to China starting Sunday.

New Currencies For Kazakhs And Uzbeks

MOSCOW — The former Soviet republic of Kazakhstan will abandon the ruble and on Monday introduce its own currency, the tenge, President Nursultan Nazarbayev said Friday.

BAe Slips as Confusion Clouds Taiwan Venture

LONDON — British Aerospace PLC shares fell Friday amid confusion over a report from Taipei that its proposed \$775 million joint venture with Taiwan Aerospace Corp. to make small passenger planes had collapsed.

U.K. Opens Inquiry Into Queens Moat

LONDON — Britain's Department of Trade and Industry said Friday that it was investigating the affairs of the troubled hotel company Queens Moat Houses PLC.

PARK: Euro Disney Stock Skids

Continued from Page 9
francs shortly before the park opened in April 1992. But it has sunk steadily since as Europe's recession, currency devaluations and a real estate crisis deprived the enterprise of anticipated revenues.

Karstadt-Hertie Pact Cuts Banks' Stake

FRANKFURT — Two major German banks will cut their stakes in Karstadt AG under terms of the retailer's takeover of Hertie Warenhaus & Kaufhaus GmbH, a Hertie executive said Friday.

NASDAQ Friday's Prices. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year. The table contains multiple columns of stock data including ticker symbols, prices, and volume.

NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with multiple columns listing stock prices, including NYSE, 12 Month, Div, Yld, PE, High, Low, Last, Chg. Includes various stock symbols and their corresponding prices.

ADVERTISEMENT

INTERNATIONAL FUNDS

Nov. 12, 1993

Quotations supplied by funds listed. Not asset value quotations as supplied by the Funds listed with the exception of some quotes based on issue prices.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (bi) - bi-monthly; (f) - fortnightly (every two weeks); (r) - regularly; (m) - monthly.

Main table of International Funds with columns for Fund Name, Class, and Price. Includes sections for EQUITY FUNDS, BOND FUNDS, and OTHER FUNDS. Lists various fund names like ABC INVESTMENT SERVICES CO, Fidelity, and others.

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Japan's Carmakers Produce a Gloomy Earnings Picture

Compiled by Our Staff From Dispatches
TOKYO—Half-year results released Friday by several Japanese automakers pointed to the depressed state of the industry. Mazda Motor Corp. and Fuji Heavy Industries Ltd. reported huge losses for the six months that ended in September. Suzuki Motor Co. also had a drop in earnings. Analysts agreed that an upturn would not occur until the domestic economy had recovered, the strong yen had stabilized and car sales had improved. Saying the "market environment was more severe than we had expected," Mazda reported a parent-company loss of 15.5 billion yen (145 million), compared with a profit of 3.1 billion yen a year earlier. Sales fell to 876.1 billion yen from 1.1 trillion yen.

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Hyundai Plans New Factories To Add Output

SEOUL—Hyundai Motor Co. plans to build new plants in the Cholla region of Korea to expand annual car output to 2 million units by 2000 from the current 1.15 million. A spokesman refused to elaborate, saying details would be announced next week. But he said the plant would be built in Chonju, the capital of North Cholla Province, 220 kilometers (136 miles) south of Seoul. A domestic business newspaper said the plant would have a production capacity of 300,000 units a year by 1995.

Finance and Factories Keep Singapore's GDP Humming

SINGAPORE—The Singapore economy expanded 9.2 percent in the third quarter, powered by growth in the financial and manufacturing sectors, the Trade and Industry Ministry said Friday. Gross domestic product, a country's output of goods and services, grew 5.7 percent in the third quarter last year. The government revised the GDP figure for the second quarter up to 10.4 percent from 10.1 percent. The government said it expected overall growth for 1993 to be close to 9 percent, higher than the 7.5 percent to 8.0 percent it had predicted at the end of the second quarter.

Steelmakers in a Vise Japan's Top 5 Fear Further Losses

TOKYO—A fall in domestic demand and the strong yen's drain on exports added up to big pretax losses for Japan's top five steelmakers in the half year to Sept. 30, the companies said Friday. Losses at Nippon Steel Corp., Kawasaki Steel Corp., NKK Corp., Sumitomo Metal Industries Co. and Kobe Steel Corp. ranged from 8 billion to more than 16 billion yen (\$75.4 million to \$150.8 million). The companies say that worse is to come in the full year to March 1994, as Japan's economy remains mired in a slump. Exports to China, one of the few bright spots in first-half earnings, will fall as Beijing cuts back on construction projects in an attempt to control its economy. Japan's steelmakers have had to contend with a 7 percent drop so far in the second half-year in orders from the construction industry, and a 5.9 percent drop in orders from the auto industry. The companies say they recognize the need for painful restructuring over the next six months. Among the measures are staff reductions, plant closures and cuts in senior managers' pay. Nippon Steel had a loss of 16.7 billion yen in the half year to September, after a pretax profit of 14.1 billion yen a year earlier. Sales fell 10.7 percent, to 1.06 trillion yen, Vice President Shigeru Omori said. He said a pretax loss for the full year is unavoidable unless the company sells further shareholdings after liquidating 17 billion yen worth already.

Seoul Finds 'Covert' Affiliates

SEOUL—Regulators said Friday that South Korea's conglomerates have been operating dozens of affiliates disguised as independent companies. The Fair Trade Commission, in a report made available Friday, said it found 46 covert affiliates operated by 16 of Korea's large conglomerates, or chaebol, including the Hyundai and Samsung groups. The investigation followed the accidental discovery of one such affiliate during a labor dispute six months ago. South Korea, concerned that the conglomerates have grown too powerful, puts several restrictions on them, including credit curbs and limits on stock ownership. The investigation began after workers at Apollo Industrial Co., a maker of car bumpers, went on strike in Hyundai's sprawling production at Hyundai Motor Co. In the swirl of union demands and counteroffers, it emerged that Apollo was owned by the son-in-law of Hyundai Motor's chairman, Chung Se Yung. Under South Korean law, that was enough to reclassify Apollo as part of the Hyundai group. The discovery touched off an investigation that determined that eight other small companies also were part of Hyundai, raising the number of Hyundai affiliates to 51. Covert affiliates also were found at several other groups, including Samsung, Daewoo and Skunkyoung, which had three each, and Lucky-Goldstar, which had two. The report said no sanctions would be levied on the companies. They will, however, have to comply with a ban on cross-holdings among companies in the same group, keep their stock holdings to less than 40 percent of their net worth and limit their debt-payment guarantees to 300 percent of net assets.

Chinese Tax Changes Seen

BEIJING—Major tax-law changes, including taxing foreign individuals at the same rate as Chinese and eventually taxing all corporations alike, are believed to be under consideration at a Communist Party meeting now, a Chinese newspaper reported Friday. Although most official media were silent about the party's Central Committee plenum, the newspaper Wen Wei Po, which is controlled by Beijing, said the secret meeting had entered its second day and was discussing "new tasks" in the revamping of China's command economy. In addition, the official Economic Information Daily disclosed a tax proposal believed to be under consideration at the meeting that seeks to reverse a serious drain on government coffers. Under the plan, on Jan. 1 China would impose the same tax rates on foreigners and Chinese individuals and a separate rate for all Chinese companies. Later, the Chinese and foreign corporate-tax rates also would be unified, it said. To help accelerate foreign investment and development, China has given tax breaks to foreign joint ventures and given foreigners preferential tax treatment when they invest in Chinese development zones. The changes also would include simplifying the value-added tax and imposing new levies on in-

Investor's Asia

Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	9,701.25	9,674.83	+0.27
Singapore	Straits Times	2,112.00	2,109.08	+0.14
Sydney	All Ordinaries	2,074.00	2,052.40	+1.05
Tokyo	Nikkei 225	18,493.55	18,158.52	+1.85
Kuala Lumpur	Composite	972.47	967.60	+0.50
Bangkok	SET	1,380.84	1,371.26	+0.70
Seoul	Composite Stock	791.47	783.35	+1.04
Taipei	Weighted Price	Closed	4,271.14	-
Manila	Composite	2,366.70	2,367.87	-0.05
Jakarta	Stock Index	512.87	511.35	+0.30
New Zealand	NZSE-40	2,009.89	1,984.51	+1.28
Bombay	NATSE All	Closed	1,398.80	-

Very briefly:

- Hong Kong's official forecast of robust economic growth would not be affected by the failure of Chinese-British talks on the territory's political future, Financial Secretary Hanih Macleod said.
- Foursession (Malaysia) Bhd., a maker of edible gelatin, ended its first day on Friday on the Kuala Lumpur Stock Exchange at 4 ringgit (\$1.60).
- Orbital Engine Corp.'s founder, Ralph Sarich, told the Australian Stock Exchange in Perth that he and interests associated with his family reduced their stake in the company to 3 percent from 11.5 percent.
- Qantas Airways Ltd. chief financial officer, Graham Jones, 54, has resigned after less than a year in the job "to pursue personal interests."
- Telecom Australia said in Sydney that its \$3.3 billion Australian dollar (\$2.2 billion) program to improve domestic telecommunications network would provide a springboard for high-technology exports to Asia.
- Long-Term Credit Bank of Japan Ltd. along with Hokkaido Takushoku Bank Ltd., Tokai Bank Ltd. and the Norinchukin Bank, will help restructure ailing general contractor Tokai Kogyo Co. Ltd.
- Burger King Corp. reportedly has received permission from the New Delhi government to do business in India. But because beef is taboo to Hindus, it is expected to offer chicken and lamb sandwiches.

GLUM: Kohl's Advisers See Unemployment Reaching 4 Million in '94

Continued from Page 1
 term unemployment has risen after all recent recessions, even in periods of growth, more jobs were lost than were created. For Western Germany, the reasons range from an overvalued currency, which damps demand for exports, to increasing competition from lower-wage countries in Eastern Europe and Asia. The East German economy, meanwhile, continues to suffer from low productivity, high wage growth and a slowdown in private investment related to the worldwide recession. Lothar Späth, co-author of the recent book "Can the Germans Still Be Saved?" said Germans would have to be patient for three to five years before their standard of living could begin to return to its former high level. In a recent discussion, Mr. Späth said Germany's Mittelstand, the array of small and medium-sized businesses that pay the bulk of the country's corporate taxes, was "doomed in its current form." But others say the problems of the German economy are being exaggerated. "Aside from a growing government tax burden, the country's

structure is no worse than it has ever been," said Jürgen Pfister, chief economist at Commerzbank AG, Germany's third-largest commercial bank. AG's forecasts for 1994 are in line with those of the five institutes. He said Germany's current problems were primarily due to cyclical factors such as the downturn in global trade. In Munich, the Deutsche Aerospace chairman, Jürgen Schrempf, was speaking after a three-hour meeting with state governors and the Daimler-Benz AG chairman, Edzard Reuter. Deutsche Aerospace is a unit of Daimler-Benz. The governors were trying to persuade Deutsche Aerospace to reverse an earlier decision to close six of its 53 plants and cut 16,000 jobs by 1996. But Mr. Schrempf rejected a plea to use state subsidies to keep the plants open and said the job cuts were the "minimal step" needed to save the remaining 70,000 jobs. He indicated an additional 11,000 jobs might have to be cut.

The German government said the first steps toward eventual privatization of the national railroads would go ahead as planned in 1994 after it reached agreement with the states on a multibillion-dollar subsidy package. Reuters reported from Bonn. The compromise ended months of wrangling between Bonn and the 16 state premiers, who had threatened to block the privatization unless the government increased its aid to cover losses in regional rail systems. "We are satisfied that we can now say the rail reform will become a reality within the planned time frame and there is a foreseeable end to the cascade of debts," Transport Minister Matthias Wissman said at a news conference. But as the price of its compromise, the government will hand over more than 94 billion Deutsche marks (\$55.6 billion) to the states between 1995 and 2000. The aid is necessary because the state and federal governments earlier agreed to take over the enormous debts of the two railroads—Deutsche Bundesbahn and Deutsche Reichsbahn. The subsidies for the states will be financed by an increase in gasoline taxes, to take effect in January.

SMOKE: Tobacco Firms Go East

Continued from Page 3
 ment has gone to modernize Tabak's main plant in Kutna Hora, 65 kilometers (40 miles) from Prague. The plant's decades-old cigarette-making machines ground the tobacco unevenly, and the machines could not weigh the tobacco used in each cigarette, so each cigarette would burn differently. Packaging machines often put on cellophane wrappers unevenly. All that has changed, said Leon Dediot, manager of operations for Tabak. New machinery has been put in and old equipment rebuilt. In the long run, Mr. Gemblar said, Western brands like Marlboro would be the big sellers in Eastern markets. But for now, he said, Philip Morris was happy to emphasize the familiar local brands. To support its products, Philip Morris has become one of the biggest advertisers in the region.

12 Month High	Low	Stock	Div	Yld	PE	52	High	Low	Label	12 Month High	Low	Stock	Div	Yld	PE	52	High	Low	Label
120.00	110.00	IBM	4.00	3.6%	12.5	120	120.00	110.00	IBM	120.00	110.00	IBM	4.00	3.6%	12.5	120	120.00	110.00	IBM
100.00	90.00	Microsoft	0.00	0.0%	15.0	100	100.00	90.00	Microsoft	100.00	90.00	Microsoft	0.00	0.0%	15.0	100	100.00	90.00	Microsoft
80.00	70.00	Apple	0.00	0.0%	10.0	80	80.00	70.00	Apple	80.00	70.00	Apple	0.00	0.0%	10.0	80	80.00	70.00	Apple
60.00	50.00	Oracle	0.00	0.0%	8.0	60	60.00	50.00	Oracle	60.00	50.00	Oracle	0.00	0.0%	8.0	60	60.00	50.00	Oracle
40.00	30.00	Novell	0.00	0.0%	6.0	40	40.00	30.00	Novell	40.00	30.00	Novell	0.00	0.0%	6.0	40	40.00	30.00	Novell
20.00	10.00	Lotus	0.00	0.0%	4.0	20	20.00	10.00	Lotus	20.00	10.00	Lotus	0.00	0.0%	4.0	20	20.00	10.00	Lotus

THE MONEY REPORT



EC Tries to Sort Out the Babel of Record-Keeping

By Conrad de Aenlle

FUND owners seldom think about the mechanics of buying, selling or exchanging shares, or of such other rudimentary matters as recording dividend and interest payments, but it's a big deal to the fund providers, who spend many millions of dollars every year servicing their accounts. That, of course, means that fund shareholders are spending the millions.

before the city. Whatever system is used has to get these details straight. For these reasons, providing shareholder services is a thankless job. Also, there's not much money in it, and nobody notices when it's done right. When it's done wrong, everyone notices and heaps blame, and it can cost plenty. But as miserable an undertaking as it may be, Banque Générale de Luxembourg and several other banks in the principality, one of the most prominent offshore fund centers, are racing to develop record-keeping systems for Europe. They apparently have decided that to offer such a system is better than letting a competitor do it.

simpler there, but not altogether simple. In the States, shareholder record-keeping requirements are fairly advanced, in large measure to comply with Securities and Exchange Commission regulations on fees and expenses, said Susan Livingston, managing director of the Luxembourg office of Brown Brothers Harriman. "It's quite complex," she said. "What the SEC has to do is come in for regular checks and make sure a fund is not charging shareholders too much. . . . But the shareholder base and retail fund market are very large, therefore a number of systems have come along to meet the volume and regulatory requirements."

smaller than their American counterparts, the record-keeping systems in use in the United States don't weather the trip well. Also, Miss Livingston notes, "many a U.S. system wouldn't take account of the fact that confirmations have to go out in multiple languages and currencies. You need a very good system to track all of that. You find in talking to banks here that the systems can't handle it."

with UCITS, a pan-European standard format for mutual funds, it's now possible to grow a fund range available to investors all over Europe, but you need slick administration. Fidelity decided that its own administration was slicker. "We feel we can develop personalized systems that are better than anybody else's," Miss Blair said. "At the end of the day, we feel we can serve clients better."

Monaco Seeks More Respect

By Philip Crawford

THE image is Champagne-tinted. The sun, the sea, the casino, and late-breaking stories which fill the gossip pages of the international tabloid press. Can a serious offshore banking and finance center exist in such a milieu? Private bankers and other investment professionals in the tiny principality of Monaco, on France's southeastern tip, say that yes, indeed it can.

family that included the late American actress Grace Kelly (who married Rainier in 1956), they also discovered the principality's tax advantages. The private banking business grew steadily, if not spectacularly. A major boost was received six years ago when the Banque de France, which shares authority with Monegasque officials over the principality's banking regulations, relaxed exchange controls, removing restrictions on the amounts that foreign clients could move in and out.

resident in the principality, as opposed to being merely a foreign depositor, is significant: While the former can simply sit back and collect his tax-free investment income, the latter is still under obligation to report his paid-in-gross Monaco benefits to his home revenue authorities. What is more, those who might choose to try to hide offshore income could find their Monaco accounts more accessible to foreign tax officials than their accounts in Jersey, Guernsey or Luxembourg. The reason? Banque de France authorities have the right to demand information on private accounts, and are known, say insiders, to be more sympathetic to the inquiries of diplomatically important foreign governments.

Not that Monaco sees itself in the quite the same category as other tax havens in Europe, such as the Channel Islands and Luxembourg. Guernsey, for example, has nearly twice as many banks as Monaco, and Luxembourg's huge fund industry dwarfs Monaco's, whose fund business is largely limited to a few products offered by a few banks.

Currently, there are 39 banks registered in Monaco, about double the number of a decade ago, including 14 which are Monegasque in origin. Total deposits are estimated at \$10 billion to \$15 billion. About 60 percent of Monaco's depositors reside legally elsewhere, although a significant portion of local residents are neither Monegasque nor French, but foreign individuals who have established legal residence in the principality.

But if client confidentiality in Monaco may not be as fervent as in other offshore centers, the fight against money-laundering apparently is. New legislation this year makes it compulsory for Monaco bank employees to report to authorities any suspicious they have regarding a depositor's affairs. If no report is made concerning a transaction which later turns out to have involved tainted money, legal proceedings against the employee can result.

But in providing asset management services to the kind of people who vacation regularly or buy second homes in the principality — known in the argot of the investment world as "high net worth individuals" — the byword in Monaco is that home-town bankers can do anything that asset managers in financial centers know only for private banking can do — and in nicer surroundings.

One advantage to Monaco, say some analysts, is its specialization. "Some of the staples of other offshore centers, such as the setting up of offshore companies which serve only as investment vehicles, are a rarity in Monaco," said James Hill, an English solicitor with the Gordon S. Blair law offices, a leading Monaco legal firm. "Monaco is set up almost exclusively to serve the needs of private individuals, and that singular focus has its advantages."

"Our rule is never to accept cash unless the client is a longstanding one whose type of business, and thus the origin of the money, is well known," said Mr. de Robillard of Cr dit Foncier de Monaco. "There's no more money laundering here than there is anywhere else. Bankers in Monaco are very careful."

"The challenge we face here is that Monaco's reputation is still primarily that of a seaside resort with a casino," said Michel de Robillard, a director of Cr dit Foncier de Monaco, the principality's largest bank and a subsidiary of the French financial services group Compagnie de Suez SA.

Mr. Hill said that his firm's practice concentrated on "helping the British or otherwise Anglo private client manage his affairs in this part of the world."

Given that Monegasque authorities are actively seeking to promote the principality's financial services industry, the ultimate question regarding Monaco's growth as a private banking center may indeed be its ability to attract investors away from places like Luxembourg and the Channel Islands. When asked whether the principality's reputation as a playground for the rich acts as a hindrance to this, Monaco bankers typically reply that it does not.

"We'd like to raise the reputation of our banking industry to that of our tourism industry," he said. "The expertise is here and so is the infrastructure."

Other analysts have cited the relative ease of establishing legal residence in Monaco, compared with the same process in other offshore centers that attract wealthy retirees.

"The serious people in this industry and the serious client will discount that image," said Timothy Urquhart, managing director of Georgan SAM, an independent trustee and corporate administrator in Monaco. "The investment expertise is here, safeguards against drug or Mafia-related money are in place, and the infrastructure for a financial center is excellent."

"It doesn't stop at a certain level," said Robert Dekker, of the financial services department of Banque Indosuez, which is developing a system for its own funds and for use by other management companies.

Mr. Hill said that his firm's practice concentrated on "helping the British or otherwise Anglo private client manage his affairs in this part of the world."

Mr. de Robillard added: "There are some ways in which we can't compete with Luxembourg or Switzerland. But we can't complain. We have our fair share of the business."

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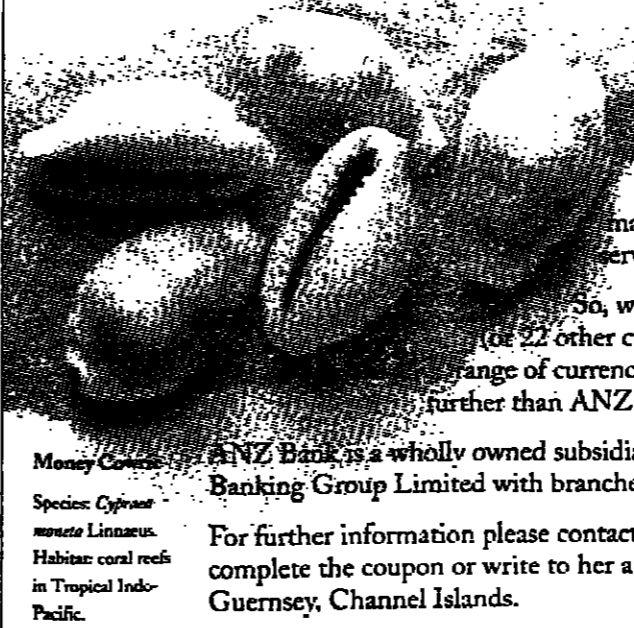
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THE MONEY REPORT

Dublin Carves Out a Niche as an Offshore Center

By Karina Robinson

DUBLIN is among the newer of those locations that style themselves offshore centers. And the success of its efforts to promote itself as a financial base is indisputable. More than 200 companies involved in banking, insurance, fund management and the handling of foreign exchange transactions for large corporations are certified to operate there. But hanging over any future expansion of the center lies the Danone sword of an end to an important tax concession which has provided a major incentive to firms locating there.

This consists of a 10 percent corporate tax rate, valid until the year 2005, for any company that obtains a license to establish itself in the International Financial Services Center up to the end of 1994. Any company that decides to set up there from 1995 onwards will be subject to the normal 40 percent corporate tax rate.

This poses two questions for individual investors: Will those costs be passed on to the consumer? Will investors who chose Dublin because they found it convenient, suddenly find themselves dealing with companies that have relocated to Liechtenstein, say, following fiscal privilege?

The answer, says the Dublin financial community, is no on both counts. The tax concession is part of a wider effort to attract companies, business and jobs to the city. Up to now the Industrial Development Agency in charge of marketing the center has concentrated on attracting fund managers, following on Ireland's 1989 adoption of the UCITS directive which allows the selling of collective funds cross-border in the European Community. UCITS is a pan-European standard format for mutual funds.

As a result, mutual funds listed in Ireland can be sold throughout the Community without the need for regulatory approval from the local authorities. In this field, the Irish see Luxembourg as their major competitor. Places like Guernsey do not qualify, as they are not full EC members, and Britain, like most other EC members, has tax deducted at source, while funds listed in Dublin have the advantage of not being liable for any income or capital gains tax for non-IRish residents.

GT Asset Management moved to Dublin partly because of the above reasons and now has 17 funds listed. The general fund man-

Offshore Funds Domiciled in Dublin

Best performing Dublin-based offshore funds. Value of \$100, income reinvested, excluding charges.

Table with 3 columns: Over one year to Nov. 1, 1993; Over three years to Nov. 1, 1993; Over five years to Nov. 1, 1993. Lists various funds and their performance metrics.

Source: Micropal

ager, Nick Alford, said, "We relocated eight unit trusts from Hong Kong to Dublin, and will potentially relocate another eight unit trusts within the next 12 months. All the funds will now be launched from Dublin."

The move has allowed the company to centralize its administrative duties in one location. This has also been helped by having Chase Manhattan in Ireland deal with the custodian and trustee work associated with all the funds.

"Whenever questions arise we are always dealing with the same people, which is a great help," Mr. Alford said. Another major reason for the relocation was the staff. Ireland boasts a young, skilled work force but high unemployment forces many of them to emigrate. The aim of the International Financial Services Center is to help provide employment, and companies moving in must agree numbers with the Industrial Development Agency.

GT currently employs more staff than its goal for the end of 1994, but noted that the agency tends to be flexible and will take into account factors such as a fall in business.

Paul McNaughton, chief executive officer of Morgan Grenfell's Irish fund arm, pointed out that Luxembourg has full employment, so educated labor is more expensive.

"We also felt more comfortable in an English-speaking country," he said. This consideration has obviously weighed on the other fund managers located in the International Financial Services Center — 18 of the 33 are either from Britain for the United States.

As a counterpart, people like the Swiss or Germans, despite exceptions like Aachen Re Investment Management or Commerz International Capital Management, will tend to stay in Luxembourg because of its proximity, common languages and simply the force of habit as it has had years of existence as a financial center.

Mr. McNaughton of Morgan Grenfell conceded this. "Ireland is definitely the new comer on the block and it is not going to replace well-established Luxembourg, which has around \$150 billion in funds versus Ireland's \$10 billion. But the rate of growth here is high and in third party business it is growing very quickly. Eight of our 30 funds here are third party. The Irish central bank here is very responsive and gives quicker fund approval [than Luxembourg] because they have diverted resources into that area," he said.

This highlights another reason given for locating in Ireland — the authorities' responsiveness to the needs of the International Financial Services Center companies. It has, for example, changed legislation that was proving a problem, while still maintaining a prudent stance toward which companies it allows. The Industrial Development Agency wishes at all costs to maintain Ireland's reputation of being clean as a whistle.

The Irish Association of International Fund Administration and

Trustees is the body that has been set up to lobby the government on diverse issues affecting them. It also coordinates with the authorities to lobby the Community.

The latest issue is proposed EC draft legislation on trustees for UCITS. Baring's International Fund Manager's managing director, Vic Holmes, is not pleased with it. "The EC is suggesting that the trustee for a UCITS does not have to be based in the same state as where it is listed. The Irish central bank currently has two meetings a year with the managers and trustees. Imagine if a trustee were based in, for example, France," he said.

Paul Dobbyn, a partner at the firm of solicitors A&L Goodbody, put it in a more picturesque way. "The central bank works on seeing the color of their eyes as well as regulation," he said. With all the advantages outlined above, the 10 percent corporate tax rate is not a major issue. In fact, with third party business becoming so important it is not an issue because companies already located in Dublin can continue enjoying a 10 percent rate while expanding their business by taking on other funds.

In any case, all the fund managers interviewed said that it was far down on their list of reasons to move to Dublin and to the International Financial Services Center. The center is in fact a set of state-of-the-art buildings located in central Dublin into which all the companies benefiting from the favorable tax regimes must move.

Although there are grumbles about the higher rents companies

have to pay there, compared to older buildings in Dublin, they can offset these by a series of concessions ranging from not paying local taxes for 10 years to allowances of up to 100 percent on capital expenditure.

Some say the listing of funds in Dublin is no longer going to be a major growth area, but Mr. Dobbyn disagrees. "The trend is towards banks as the ones marketing and selling collective investment schemes," he said, "and they are more aggressive than traditional fund managers in looking at costs as their customers would never accept, for example, front-end fees. Proposed changes to the UCITS directive would include money market instruments which would allow the banks to do more. And in terms of total expense ratios, Dublin has lower ones than Luxembourg."

The fund management industry in Dublin has pushed the growth of the associated custodian and trustee services. As a result, the industry has become very competitive. According to Dennis Murphy, managing director of AIB Custodial Services, one of the top players: "In 1989 we had \$6 billion of assets which were almost all Irish. We now have \$13 billion, with half of it foreign."

The foreign business would never have been there except for the development of the International Financial Services Center. And the International Development Agency appears to have slightly shifted its marketing focus toward bringing in more of the life insurance business. This is based on the view that with the Third Life Directive coming into force in July 1994 — which means that companies can sell life insurance anywhere in the EC as long as they are regulated in a center such as Dublin — it is a growing area.

The hitch is that just like the selling of funds EC-wide, no one yet seems to have cracked it. The regulatory aspects may all be in place, but getting the marketing and the distribution right is a Herculean task.

In any case, many companies seem to believe that they should at least have an entity set up in a tax-advantageous area to take advantage of the Common Market, if they so decide. Dublin will undoubtedly continue being a beneficiary of this, simply because, as Vincent Dodd, head of Business Development at Bank of Ireland Securities Services, said, "We are very hungry for the business, both the country and the players, and so we have to provide a better service."

Top Rates on Offshore Building Society Accounts

Table listing various offshore building society accounts with columns for account name, interest rate, and other details.

Source: Chase de Vere's Moneyfile

International Herald Tribune

Taste of U.K. Offshore Thrifts

DEPOSITORS who suffered after U.S. thrifts invested recklessly in the late 1980s may well look at the above table and feel an urge to turn the page. There is no need: The institutions listed are British thrifts, or building societies, which invest much more conservatively than their American cousins. The thrifts are all domiciled in islands offshore the British mainland — the Channel Islands of Guernsey and Jersey, and the Isle of Man. These domiciles offer political stability, a fair measure of

regulation, and liberal tax regimes. The interest rates shown are for deposits in pounds, although many of the thrifts, such as the Woolwich, for example, have deposit accounts in dollars and other currencies. When investing in such accounts, investors are often faced with a choice between instant access and maximum interest. In general, the longer period for which investors are prepared to tie up their money, the better the rate of interest. Investors can, of course have instant access if they absolute-

ly require it, but there will usually be an interest penalty. THE thrift accounts are generally pitched at a lower minimum deposit level than the bank accounts shown. Many of the bank accounts are designed to be strategic "resting places" for investors using private banking and investment facilities offshore. For more information, call compilers Chase de Vere at London (44 71) 404 5766.

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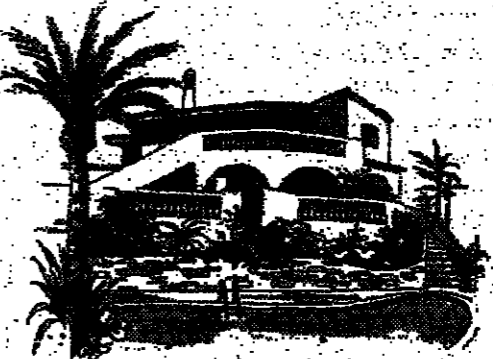
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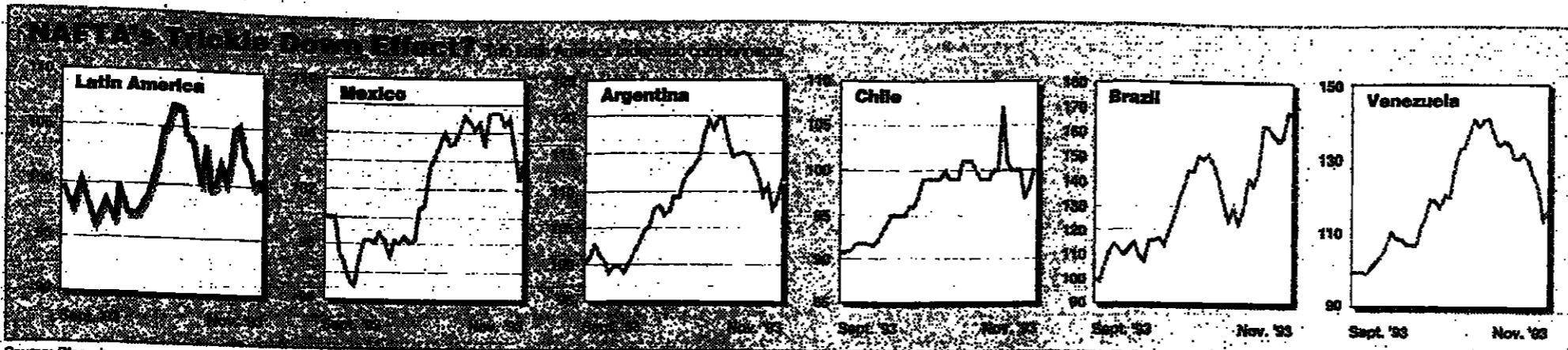
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THE MONEY REPORT



NAFTA Fight Focuses Investors on Latin American Markets

By Martin Baker
THE focus of international investors' attention is trained on Latin America in a particularly intense way this weekend.

to what some analysts argue are the best emerging markets of tomorrow. Mexico, which is the largest single component in the newly launched Trib Latin America Index of internationally investible shares, is the clear favorite of international analysts.

American fund manager at Fleming's in London, agrees: "It's only 60 percent likely that NAFTA will go through. There's enough doubt for the markets not to have discounted it."

After a strong October, Mexican shares fell back on NAFTA-related uncertainties. If the analysts are right — bearing in mind that when they all agree they are often completely wrong — the market seems certain to be significantly higher or lower this time next week.

Ms. Carrington expects to see strong growth in Argentina's gross domestic product: "We forecast around 6 percent for this year and we should see something similar next year."

The usual factors of stock market investment risk are present in abundance in Latin American shares, including inflation and political instability. But, if you decide to take the risk, and include a Latin American element in a portfolio of growth-oriented shares, what weighting should you give these countries?

Protecting Investors: EC Struggles to Level the Playing Field

By Rupert Bruce
THE trade-off between onshore and offshore investing is supposed to be simple: Invest offshore and you get tax breaks and an improved cash flow; invest onshore and you get security. Or do you? Question marks hang over the security of some onshore jurisdictions, even in areas as financially sophisticated as Europe.

minimum of 90 percent of all investment losses are repaid up to a sum of 20,000 European currency units (\$22,700). Countries are allowed to exceed this minimum level, and some plan to. Others — Portugal and Greece again — have wrested a "transition" period of five years from the EC Commission, the Community's executive. In that time, they need not pay out any sums exceeding 15,000 Ecu.

But, although this all might seem a highly commendable development, Germany is unhappy. It believes the plan is unfair. It registered its displeasure in September at a meeting of EC finance ministers when it, alone, voted against the first half of the safety net, the proposal for a directive on bank deposit guarantee plans. This was nevertheless passed, as it required only a simple majority, and is due to be rubber-stamped this month by the European Parliament.

from the fact that its own compensation arrangements offer depositors and investors in securities almost unlimited compensation. It believes that this is essential for preventing a situation where the failure of a single bank could cause a run on the whole banking system. Under the directive on bank deposit guarantee schemes, foreign branches of EC deposit-taking institutions have to be covered by their home country's guarantee plan. But, if the host country's plan is more generous, they can increase their investors' coverage to that level.

Germany's protest that this is unfair because, while their compensation plan will be responsible for the reimbursing of any swindled depositors, they will have no hand in regulating German branches of foreign banks. This is the job of the home country regulators. Another thorn in Germany's side is the EC Commission's judgment that compensation cannot be used as a marketing tool. Otherwise, a German bank branch operating in Portugal might be able to advertise itself as a safer home for investors' cash than the host country's banks.

The directive stipulates that bank branches operating in other EC countries where compensation arrangements are lower than its own at home must drop their offers of compensation so they are in line with those of the host nation. Germany is biding its time and watching the directive's passage through the European Parliament before deciding whether to make an appeal in the European Court of Justice. The EC Commission says it is confident, after receiving legal advice, that any appeal would be unsuccessful.

Table with columns for Best Performers and Worst Performers, listing various funds and their performance metrics.

Caribbean Charms

By Judith Rehak
HIGH net worth coupled with a desire for confidentiality and no — or minimal — taxes, is the common thread of investors who buy funds domiciled in the Caribbean Islands. The lion's share of the publicity goes to high-risk hedge funds like the Quantum Fund (managed by George Soros, one of the better known figures in the fund industry), which are actually private partnerships domiciled outside the purview of the U.S. Securities and Exchange Commission. This way, they can use techniques like investing with borrowed money and taking heavy bets for or against the markets, not to mention charging up to 20 percent of profits to their shareholders.

Our investors come from around the world and lot of them have inherited money, or have made their money as entrepreneurs," he said. The Caribbean, particularly the Bahamas and Cayman Islands, are favored by Latin American investors, who like keeping their assets out of their home countries, but not too far away. MFS, the Boston-based money manager which has its Mexican Fund family based in the Caymans, estimates that about 70 percent of its shareholders are from Latin America. Other groups are using their offshore funds to court Latin Americans who are "nonresident aliens" in the United States. Left out in the cold are American citizens, who are forbidden to invest in offshore funds. While some Americans who live abroad do so anyway, most fund groups want to avoid this. "They generally don't solicit Americans who live elsewhere," said one observer. "It's not just the Securities and Exchange Commission, but the Internal Revenue Service could get after you too. So they're very cautious."

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BRIEF CASE

Amex Offering Hong Kong Index Warrants

The number of American-listed series of index warrants on the Hong Kong stock market increased to three from zero in past weeks. Paine Webber, Salomon Brothers and Morgan Stanley all floated issues on the American Stock Exchange to try to take advantage of the hot market. All three warrant series are leveraged plays on something called the Amex Hong Kong 30 Index, specially created for the new issues because the exchange could not obtain the rights to use the benchmark Hang Seng index. The Amex index will probably correlate quite highly with the Hang Seng; the only problem is that traders will have a tougher time finding the level of the index should they want to know precisely where they stand. All three series offer call warrants, a leveraged bet on Hong Kong stocks rising; only Paine Webber also offers put warrants, which would be valuable in a declining market. The Paine Webber series expire in two years.

Rates Concentrate the Mind Wonderfully

One particularly popular theory for the dizzy heights of the U.S. markets is a supposed mass exodus of capital from deposit accounts to equities. The reason, so the argument runs, is that lower U.S. interest rates have concentrated investors' minds, and in seeking better returns they have discovered share and bond investment, notably through the medium of mutual funds. But that theory doesn't quite work in practice, according to research published by the Investment Company Institute, the trade association for U.S. mutual funds. An ICI-commissioned telephone survey shows that fewer than 6 percent of individuals used proceeds from maturing call deposits to invest in share and bond funds. The survey covers investments made over the two years beginning in July 1991.

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SPORTS

In Mourning for Petrovic, Nets Lose to Pacers in OT

The Associated Press
Even the Indiana Pacers were moved by pregame ceremonies honoring the late Drazen Petrovic. The New Jersey Nets paid tribute to their leading scorer from last season before their National Basketball Association home opener Thursday night. It took some time for the Pacers to get untracked, and

NBA HIGHLIGHTS

they finally won 108-105 in overtime — their first victory in four games this season.
"It was tough sitting through those ceremonies," Indiana's Reggie Miller said. "You couldn't help but get involved. In the first half, I took good shots, but just wasn't knocking them down. But you've got to play through that."
Petrovic's parents, Joje and Biserka, his brother Alexander and former Croatian teammates Dino Rajda and Stojan Vrankovic joined the NBA commissioner, David Stern, the Nets general manager, Willis Reed, and coach Chuck Daly in the ceremony. The Nets retired the No. 3 jersey used by Petrovic, who was killed in a traffic accident in Germany on June 7.
"His ceremony was very touching," said the Nets' Derrick Coleman, who finished with 35 points and 16 rebounds. "We used to have him out there with us. But when it came down to game time, we tried to block it out. We didn't execute down the stretch."
Miller scored 17 of his 28 points in the fourth quarter on 6-for-7 shooting in the period. Rick Smith and Pooh Richardson made two key baskets each in overtime for the Pacers.
The lead changed hands seven times during overtime. Smith and Richardson, who scored 17 points each, gave the Pacers one-point ad-

NBA Lottery Gets Better For the Worst

New York Times Service
Things went from bad to better for the worst in the National Basketball Association when the league's board of governors changed the rules of the league's draft lottery.
The change increases the chances of the teams with the worst records to get one of the top three picks and reduces the chances of the teams with the best records among nonplayoff teams from getting one.
Last spring, Orlando, which missed the playoffs on the final weekend of last season, came away with the No. 1 lottery pick. Dallas, with the worst record in the league, earned the No. 4 pick.
Under the system created Thursday, the team with the worst record will have a 25 percent chance at the top pick, down from 1.5 percent.
Advantages before Smith put them ahead for good on a jumper with 57 seconds left.
Hornets 120, Magic 87: Alonzo Mourning took advantage of Shaquille O'Neal's foul trouble, scoring 18 points and grabbing 10 rebounds as Charlotte beat visiting Orlando for the 10th time in 13 games.

Mourning, 4 for 6 from the field and 10 for 14 from the free-throw line, scored 18 points in 18 minutes. O'Neal was assessed three fouls in a four-minute span of the third period and went to the bench with five. He didn't play the fourth quarter and finished with 19 points on 6-for-15 shooting.

Heat 116, Bucks 103: Rony Seikaly scored 33 points and helped spark two third-quarter rallies as Miami sent visiting Milwaukee to its fourth consecutive loss.

Seikaly, who added 13 rebounds, and Harold Miner, who scored 18 points, scored six points each during a 14-3 run that gave Miami a 70-65 lead with seven minutes left in the third period. A 10-1 run put the Heat ahead 84-73 with 1:38 to go in the quarter.

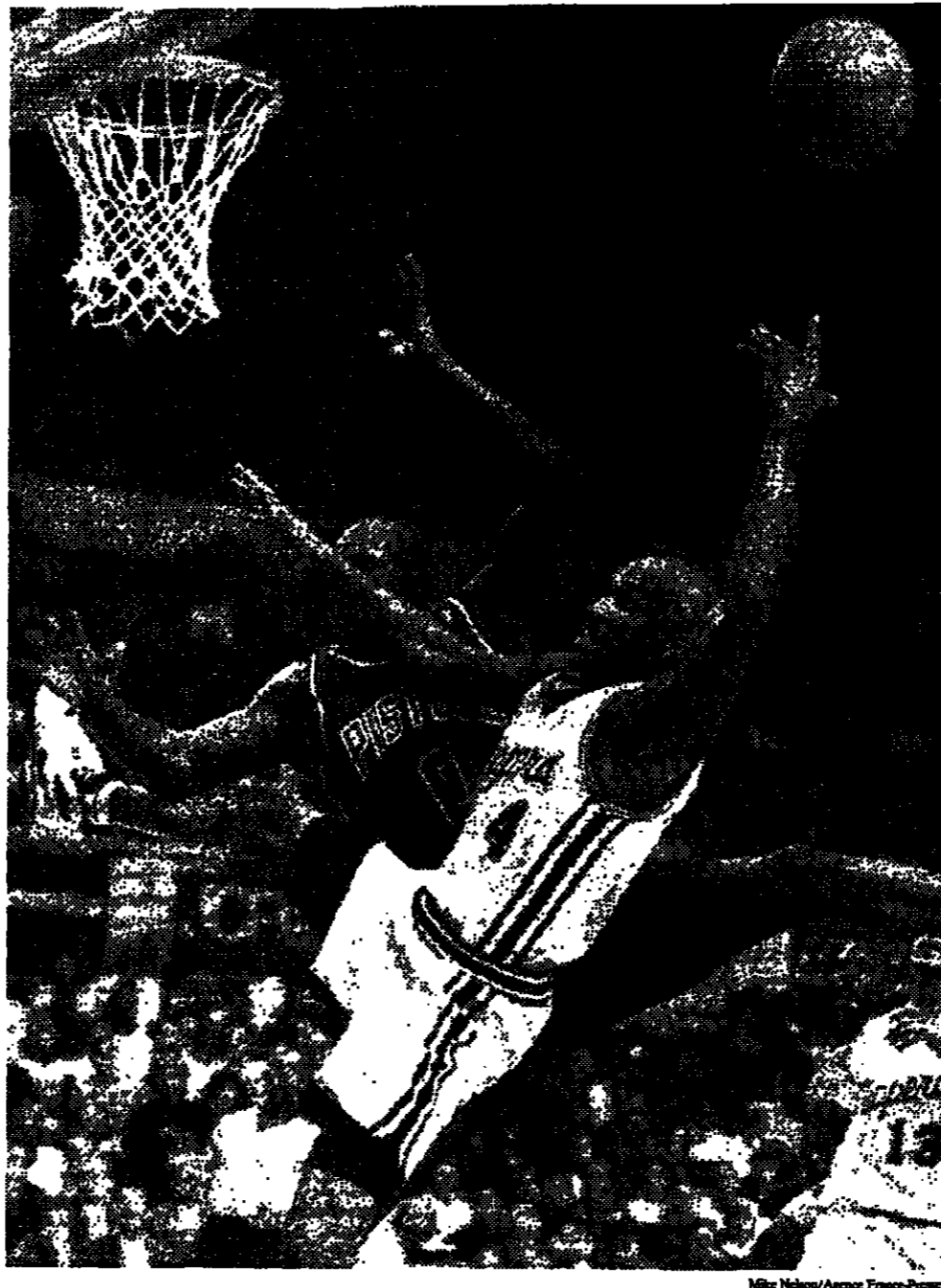
Rockets 107, Timberwolves 99: Hakeem Olajuwon made 15 of 17 shots and scored 36 points as the Rockets won their fourth straight.

Olajuwon made seven of eight shots in the first half and didn't miss a basket in the second half until 2:42 remained. He finished with 17 rebounds and made 6 of 9 free throws.

Clippers 111, Pistons 99: Mark Jackson had 21 points and 12 assists, while Danny Manning added 20 points as the Clippers took a 28-point lead in the first half.

Terry Mills scored 18 points and Joe Dumars had 16 for visiting Detroit, which has lost two straight after opening the season with a pair of victories.

The Clippers had failed to score 100 points in any of their first three games for the first time in franchise history. But the Pistons couldn't contain Jackson, whose 13-point second quarter helped widen the Clippers' 11-point first-quarter margin to 68-42 by the break.



The Pistons' Olden Polyzine showed little grace in blocking Ron Harper. The Clippers won, 111-99.

76 Goals Again? Sabres' Mogilny Will Settle for 60

The Associated Press
BUFFALO, New York — Alex Mogilny is not the kind of player to set goals. He just scores them.
"How can you plan after a 76-goal season?" he asked. "Do you say 80? It's ridiculous. If I get 60, I'll be glad. If I don't, hey, there's another year."
Since Mogilny missed Buffalo's first nine National Hockey League games this season, it is unlikely that he will duplicate last season, when his 76 goals were good enough for a share of the NHL's goal-scoring title with Winnipeg's Teemu Selanne.

Or is it? In the five games since his return, Mogilny already leads the Sabres with seven goals. Not coincidentally, Buffalo was 1-8-0 without him and 3-1-1 with him.

The Sabres' coach and general manager, John Muckler, has no problem putting a number on what Mogilny's presence on the ice means.

"You're ahead 1-0 with him in the lineup," Muckler said. "He had 76 goals in 84 games. That's almost a goal a game, so you're pretty well up 1-0."

What's even more impressive is that Mogilny still has not fully recovered from the frightening collision that ended his season last year in the playoffs. Mogilny's right leg got caught in a pile of players next to the Buffalo net. He broke a bone in the leg and tore tendons in his ankle.

He was initially expected to be ready for the start of the season, but the recuperation and rehabilitation went slower than expected. Mogilny estimates that he is still at only about 85 percent capacity.

Mogilny had dazzling speed when, at 19, he left the national team of the former Soviet Union in 1989, becoming the first Soviet player to defect.

But his transition to life in the NHL and North America was not easy. There was the language barrier, and his well-publicized fear of flying.

Mogilny doesn't have much to say about the four-year contract he signed last week that will pay him an average of \$2.7 million a year.

"It's all right," he said. "A contract is a contract. When it comes down to the money, I don't know what to say. It's just money. These days, they give hockey players a lot of money. It's nothing unusual."

As for his fast start this season, Mogilny does all he can to discourage talk of another 76-goal season.

"We all know it was just a lucky year," he said. "I'm not kidding anybody. It was a miracle, I guess. That's all I can tell you. Sure, I worked hard for it and my teammates did, but it's ridiculous. Seventy-six goals is a lot of goals."

Mogilny would be happy with 60. So would anybody else in the NHL.

SCOREBOARD

NBA Standings

EASTERN CONFERENCE			
Atlantic Division			
Team	W	L	Pct
New York	4	0	1.000
Boston	3	1	.750
Orlando	3	1	.750
Miami	2	1	.667
New Jersey	2	2	.500
Philadelphia	1	3	.250
Washington	1	3	.250

Central Division			
Team	W	L	Pct
Chicago	3	1	.750
Charlotte	2	2	.500
Detroit	2	2	.500
Atlanta	1	2	.333
Cleveland	1	3	.250
Indiana	1	3	.250
Milwaukee	1	4	.200

WESTERN CONFERENCE			
Midwest Division			
Team	W	L	Pct
Houston	4	0	1.000
Utah	3	1	.750
San Antonio	2	2	.500
Denver	1	2	.333
Dallas	0	3	.000
Minnesota	0	4	.000

Pacific Division			
Team	W	L	Pct
Seattle	4	0	1.000
Phoenix	3	1	.750
Sacramento	2	1	.667
LA Clippers	2	2	.500
Golden State	1	2	.333
Portland	1	2	.333
LA Lakers	1	2	.333

THURSDAY'S RESULTS			
Game	Final Score	OT	
Indiana	108-105	OT	
New Jersey	97-94	OT	
LA Clippers	111-99	OT	
LA Lakers	112-105	OT	
LA Kings	112-105	OT	
LA Sparks	112-105	OT	
LA Stars	112-105	OT	

HOCKEY

NHL Standings

EASTERN CONFERENCE			
Atlantic Division			
Team	W	L	Pct
New York	12	3	.800
Philadelphia	12	4	.750
N.Y. Rangers	11	5	.688
Washington	9	7	.563
Pittsburgh	7	7	.500
N.Y. Islanders	4	11	.267
Tampa Bay	3	12	.200

Central Division			
Team	W	L	Pct
Pittsburgh	12	3	.800
Boston	7	4	.636
Montreal	6	8	.429
Quebec	5	7	.417
Ottawa	4	8	.333
Buffalo	4	10	.286
Hartford	4	11	.267

WESTERN CONFERENCE			
Central Division			
Team	W	L	Pct
Toronto	12	2	.857
St. Louis	11	2	.846
Dallas	6	4	.600
Chicago	7	4	.636
Minnesota	7	6	.538
Winnipeg	7	8	.463
Detroit	6	8	.429

Pacific Division			
Team	W	L	Pct
Calgary	12	4	.750
Vancouver	10	5	.667
Los Angeles	12	7	.630
San Jose	4	11	.267
Anaheim	4	11	.267
Edmonton	3	7	.300

CRICKET

First Day, First Test
Australia first innings: 224 (774 overs)

EUROPEAN COMMUNITY CHAMPIONSHIP

Quarterfinals
Austria vs. Switzerland, 4-4 (2-2).
Austria vs. Switzerland, 4-4 (2-2).
Austria vs. Switzerland, 4-4 (2-2).
Austria vs. Switzerland, 4-4 (2-2).

KREMLIN CUP

Quarterfinals
Poland vs. Czech Republic, 6-3 (7-4).
Poland vs. Czech Republic, 6-3 (7-4).
Poland vs. Czech Republic, 6-3 (7-4).
Poland vs. Czech Republic, 6-3 (7-4).

Long Jumper Is Threatened

Compiled by Our Staff From Dispatches
BONN — Heike Drechsler, Olympic and world long jumper champion, who recently denied allegations that she had spied on her teammates for the former East Germany's Stasi state security police, has received a death threat.
Her communications manager, Michael Mrocz, said on Friday that the threat had come in a recent letter.
"The letter had a photograph of Heike with a noose drawn around her neck," Mrocz said.
Drechsler, who was politically active as a member of the former East German parliament, revealed in September that Stasi had tried to hire her in 1986. But she said she had refused.
Drechsler's coach said she had also received threats after making comments about the tennis player Steffi Graf.
(Reuters, AP)

SIDELINES

Bulgarian Lifter Wins World Title

MELBOURNE (Combined Dispatches) — Ivan Ivanov of Bulgaria, the Olympic champion, on Friday held off Haili Mutlu of Turkey to win the overall title in the 54-kilogram class at the world weightlifting championships with a world record of 277.5 kilograms. He then said he was retiring.
Ivanov, 22, who has now won the overall world title four times, also won the gold medal in the clean-and-jerk, while Bin Yang of China took the gold medal in the snatch. Mutlu, 20, took the overall silver medal in his first appearance at a senior world championships. Ko Kwang-ku of South Korea took the overall bronze.
In Moscow, four more Russian weightlifters have been caught using steroids, bringing to seven the number who have tested positive for banned drugs since the national championships in September. Viktor Polyakov, head of the Russian federation, said Friday. He declined to name the four.
(AP, Reuters)

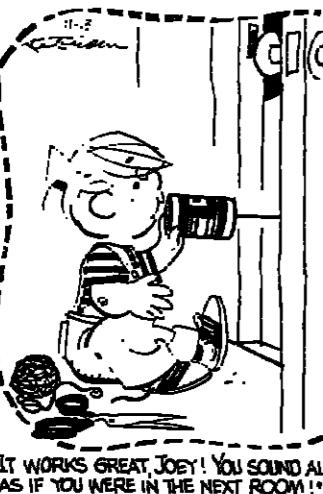
UEFA Bans Cantona for 4 Games

ZURICH (Reuters) — The Manchester United striker Eric Cantona of France was given a four-match European ban by UEFA on Friday for allegedly insulting the referee at the end of a European Cup soccer match against Galatasaray.
UEFA, European soccer's governing body, also imposed fines on both clubs. A UEFA spokesman said Galatasaray had been fined 15,000 Swiss francs (\$10,000) for allowing fireworks to be set off in the stadium and 5,000 francs for insufficient security. United was fined 5,000 francs for the "incorrect conduct of their players."
(AP)

For the Record

George Raveling, an assistant coach of the 1984 and 1988 U.S. Olympic basketball teams, was chosen Thursday to coach the 1994 team for the Goodwill Games in Russia.
(AP)

DENNIS THE MENACE



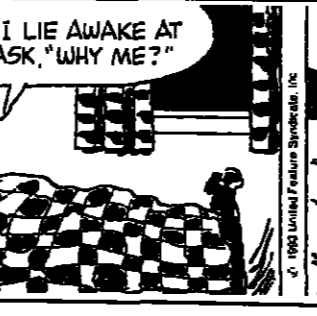
"IT WORKS GREAT, JOE! YOU SOUND ALMOST AS IF YOU WERE IN THE NEXT ROOM!"

PEANUTS



"SOMETIMES, I LIE AWAKE AT NIGHT, AND I ASK, 'WHY ME?'"

BLONDIE



"I THOUGHT YOU WERE GOING TO BE HERE. YOU LEFT ME HERE!"

WIZARD of ID



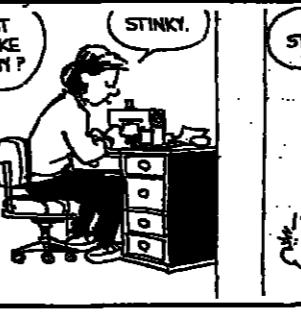
"OH, OH... I'M SENDING YOU TO A SPECIALIST!"

REX MORGAN



"WE DON'T NEED TEMPORARY HELP... WE NEED A FULL-TIME STAFFER!"

CALVIN AND HOBBES



"MOM, WHAT WAS I LIKE AS A BABY?"

DOONSBURY



"DON'T GIVE HIM ANY OF YOUR POOR SARGE!"

JUMBLE

KORBO
K O R B O

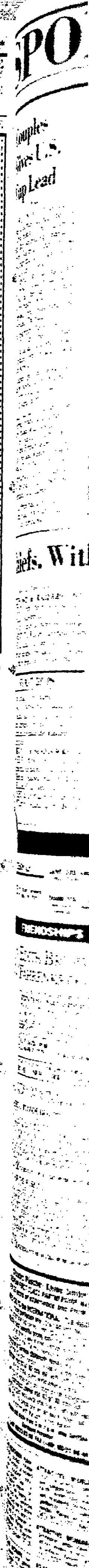
KLULS
K L U L S

TRYGEN
T R Y G E N

REMPIT
R E M P I T

Answers: HE WAS **KORBO** OF **KLULS** OF **TRYGEN** OF **REMPIT**

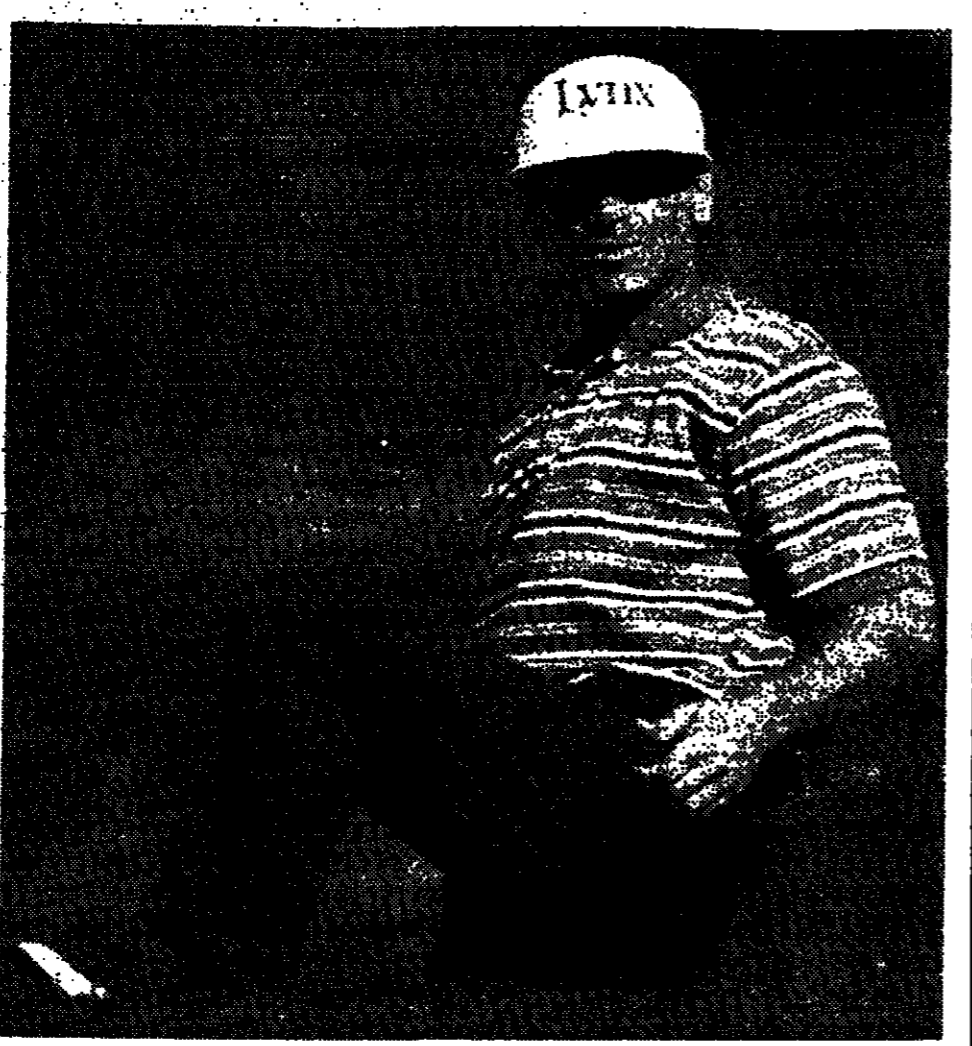
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SPORTS

Couples Gives U.S. Cup Lead

ORLANDO, Florida — Fred Couples scored the first double eagle of his career to help the defending champion United States to a three-stroke lead after the first round of the World Cup of Golf.



Fred Couples had a leg up on his World Cup of Golf rivals, taking a three-stroke first-round lead.

The Lore of the (Long-Shot) Irish Can Notre Dame Mystique Stop the No. 1 Seminoles?

By Johnette Howard
Washington Post Service
SOUTH BEND, Indiana — The kicks were too short. Too wobbly. Much too unreliable. Finally, Lou Holtz, the Notre Dame football coach, had seen enough.

The growing, palpable feeling here is that somehow Holtz will come up with some strategy to knock off this FSU team — if only because Irish lore has it that Notre Dame teams are supposed to do that.

Every hotel, motel and private home with a room to rent is booked solid for miles around. Weekend flights into the local airport are all full. Some fans are staying 90 miles (145 kilometers) away in Chicago.

Chiefs, Without Montana, Face Uphill Struggle Against the Sack-Happy Raiders

CHIEFS (6-2) at RAIDERS (5-3): KEY STAT: Chiefs have won seven of eight vs. L.A.; Raiders first in NFL pass defense (150.3 yards allowed per game).

Kosar was released and signed by Dallas. The Browns say that Kosar has "diminishing skills." Philcox is more mobile and a good athlete, but his inexperience and ability to read defenses and make quick decisions is the critical question.

After winning three straight, Green Bay lost on Monday night at Kansas City, with the Packers committing six turnovers. New Orleans has an in-your-face defense that will force more Pack mistakes — especially at home where the Saints are 3-1 this season.

Three straight for the first time since 1988. The Colts stand in the way and have given the Jets fits: Indianapolis has won two straight over the Jets and the last three games have been decided by four or fewer points.

CARDINALS (3-6) at COWBOYS (6-2): KEY STAT: The Cardinals' Ron Moore rushed for 160 yards vs. Eagles; Cowboys can win seven straight for first time since 1983.

Diego in 1984. Lost and have not won there in three tries; Chargers have 74 points in three games, had 70 in first five.

These National Football League matchups were prepared by Thomas George of The New York Times. Odds were provided by Harrah's.

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DAVE BARRY

Self-Help for Parents

Miami — Now that my son has turned 13, I'm thinking about writing a self-help book for parents of teenagers. It would be a sensitive, insightful book that would explain the complex, emotionally charged relationship between the parent and the adolescent child. The title would be: "I'm a Jerk: You're a Jerk."

would leave little room for, say, school, so we have to supply parental guidance ("If you don't open this door RIGHT NOW, I will BREAK IT DOWN and CHARGE IT TO YOUR ALLOWANCE"), the result being that our relationship with our son currently involves a certain amount of conflict, in the same sense that the Pacific Ocean involves a certain amount of water.

"Rob," I tell him, as he is eating his breakfast in extreme slow motion with his eyes completely closed, so that he sometimes accidentally puts food into his ear, "I want you to go to sleep earlier."

At least he doesn't wear giant pants. I keep seeing young teenage males wearing ENORMOUS pants, pants that two or three teenagers could occupy simultaneously and still have room in there for a picnic basket, pants that a clown would refuse to wear on the grounds that they were too undignified. The young men wear these pants really low, so that the waist is about knee level and the pants butt drags on the ground.

Midnight to 3 A.M. — Read suspense novels. 3 A.M. to 5 P.M. — Sleep. 5:15 P.M. — Order hearty breakfast from Domino's Pizza and put on loud hideous music recorded live in hell. 4 P.M. to midnight — Blow stuff up. Unfortunately this schedule

What I want to know is, how do young people buy these pants? Do they try them on to make sure they DON'T fit? Do they take along a 570-pound friend, or a mature polar bear, and buy pants that fit HIM? I asked my son about these pants, and he told me that mainly "bassers" wear them. "Bassers" are people who like a lot of bass in their music. They drive around in cars with 4-trillion-watt sound systems playing recordings of what sound like above-ground nuclear tests, but with less of an emphasis on melody.

Trembling Upper Lips, Upmarket Version

International Herald Tribune LONDON — While the French have raised complaining to an art form, in England, Mustn't Grumble is the rule. "People say, how are you? Oh, mustn't grumble," says the cartoonist Posy Simmonds. "And then they start grumbling immediately." Her new collection, published by Jonathan Cape, is called "Mustn't Grumble."

MARY BLUME vative weekly, and in the liberal daily The Guardian, and go from manic 1988 to these days of the plangent wail. In the very first strip, Miles Upmaster, a gleaming Lloyds broker, is lighting his fifth King Edward Half Corona of the day. In one of the last, broke, he and his wife, Vanessa, have finally sold their Parsons Green house to a couple who humiliatingly photographed it on their camcorder and beat down the price.

Simmonds is as sharp as anyone at what Robert Benchley called "the zeitgeist game." Just as she was prescient in seeing a Lloyds high-flier as an Icarus in 1988, so in 1977, when she began her Guardian strip, she invented a family that stood her in good stead for 10 years: well-intentioned George and Wendy Weber, woolly liberals in a world of brown rice, beanbag chairs, saving the whale, semiotics, vasectomies and duvets.

In 1987, she dropped the strip because she thought the Webers less representative than the carnivorous and self-centered new rich. She married off the Webers' forward-looking daughter, Belinda, to a Saab-driving optics trader and wrote children's books while studying the new world of sun-dried tomatoes, olive oil at 20 quid the bottle, panic buttons, cardboard-box dwellings, tasseled loafers and women with endless, elegant legs. "I wonder where the English hockey leg went," she asks.

In "Mustn't Grumble," Belinda is back, the head of Canape Express ("Bespoke Party Food") which, of course folds, the recession takes over. George has seen the Polytechnic where he teaches exalted into South Medical University where private companies sponsor chairs. But the Webers are dim background figures in a fast-moving free-falling world.

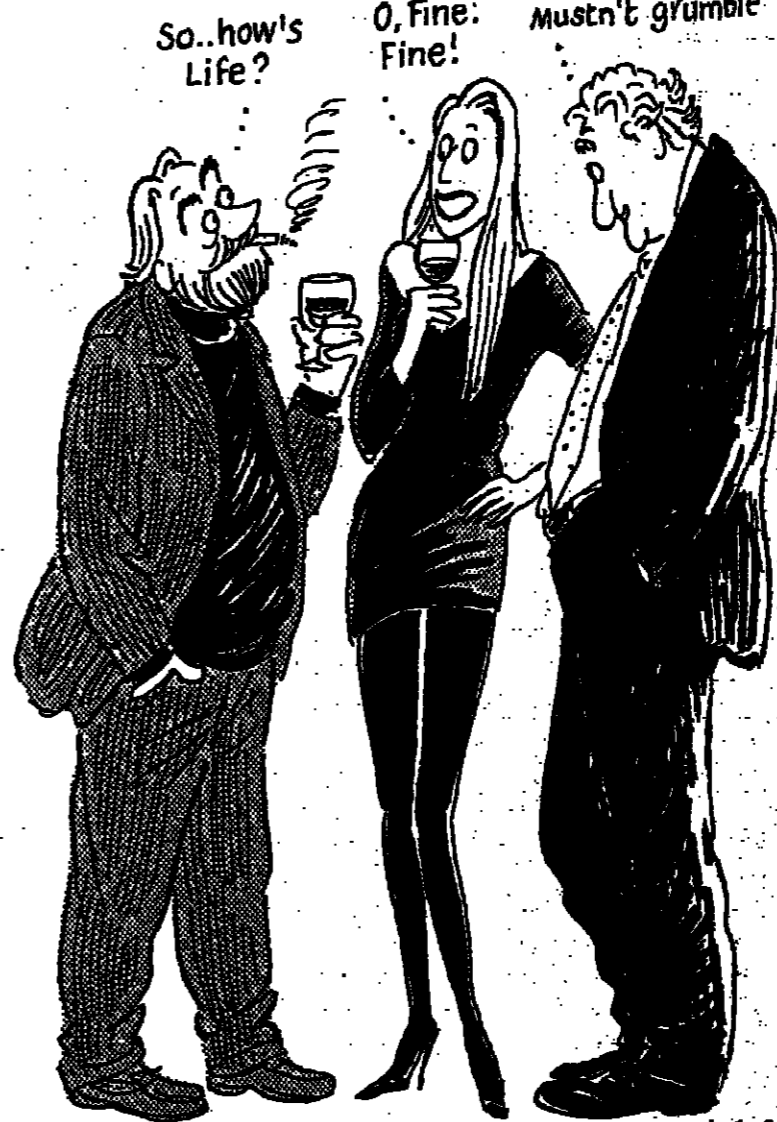
smoked salmon wheels at openings and who now offers Argentine white with a label that looks all right and no food at all (no one is buying his 18th- and 19th-century English paintings and anyway Canape Express, as we know, has gone broke).

It isn't a nice world but Simmonds is a very nice woman who lightly pricks rather than stabs. "What I wanted to suggest with the Upmasters is their predicament is pretty awful in a way but no one feels sorry for them. People think they've made a lot of money and now hard cheese. There's a slight pleasure in their misfortune."

Simmonds is first-rate at decor and clothes (she is quite unbeatable on changing shoe styles). One strip, nominally about the awful bearded novelist J.D. Crouch, traces the history of bathrubs from the exploding geyser of the 1950s to the successful author's present-day Jacuzzi (he has also become a collector of fine clarets). The Upmasters' house is a treasure trove of epistemological wealth.

"I thought it would be a terribly overdecorated house full of festoons and swags, you know pictures hung with bits of satin and things." It may be a world where the word "faux" is a term of approbation and can be applied to everything from marble to flashbulb smiles, as the couple in one strip keeps saying — although they now sit on upholstered rattan while before they were on the floor under a poster of Che — "No, we haven't changed." In fact, Simmonds says (and this may explain why her strip works equally well in conservative and liberal publications), a lot of Labor supporters did change when they earned money and Weberish compassion is much out of date in the so-called caring '90s.

George and Wendy would always try to understand why someone did something absolutely appalling. They weren't excusing the appallingness but they would think there must be a reason. I think people are very tired of people like George and Wendy and actually think a young person needs a good birching.



A Mustn't Grumble sample from Posy Simmonds's "Hard Times" series.

adorable his cats are and what a beautiful bathroom he has and how well-behaved his children are. It is utterly extraordinary." It may well be the publication for our times. "Yes, making everything nice. It's like department stores at Christmas. No, body's Christmas ever looks like Christmas at Harrods. But you enter that world and you say that's how life is meant to be. Everything smells of cedar, tartan tablecloths everywhere."

In what are certainly not the best of times but may not be the worst. "I don't know. I think this century is littered with worst. I think this is quite a bad time because people seem so tired and both resigned and cynical. Everybody is disaffected and fed up." Old Blighty may be blighted, but Simmonds does not rub in the salt. "I think if you just draw the blight it's rather boring. You're just portraying the obvious." In other words, mustn't grumble? "No, mustn't grumble. Can't complain. Could be worse," Simmonds said.

PEOPLE

Demoting a Best-Seller: The Howard Stern Story

With 1.14 million copies in print, the rambling autobiography of the foul-mouthed radio personality Howard Stern, "Private Parts," has been getting a lot of exposure. But several warehouse chains have refused to sell it. And not only is the smaller Caldor chain not selling the book but it also deleted the title from The New York Times Best Seller list of nonfiction books reproduced in signs, and moved all the others up one place. A listener faxed Stern a copy of the Caldor list, and Stern has made it one of his favorite on-air topics. Caldor, meanwhile, was talking with The New York Times legal department: The chain is reprinting the complete list. But it still won't sell the book.

"60 Minutes" has been a top-rated show for a quarter of a century, or as Laurence A. Tisch, chairman of CBS put it, "58,500 minutes." To celebrate the anniversary, CBS gave a lavish party for 650 at the Metropolitan Museum of Art in New York. It was a reunion of "60 Minutes" staffers past and present, with hugs and kisses, nostalgia and gentle ribbing. This from Howard Stern, president of the CBS broadcast group: "Over 25 years, I have watched Mike Wallace's hair go from black to really black."

Ted Turner, the founder of Cable News Network, was honored by the Committee to Protect Journalists for contributions to press freedom. Awards also went to the imprisoned Vietnamese journalist Doan Viet Hoa; Vera Matic of Radio B92 in Belgrade; Omar Belhouche, editor of El Watan in Algeria; Ricardo Uceda, editor of Si magazine in Peru; and Noss Ignatiev, editor of Tel magazine in Nigeria.

Indian social activists have pledged to prevent Michael Jackson from performing in New Delhi next month by holding marches and demonstrations. Swami Agnivesh, a leading activist, said: "He is a bad influence on our cultural and political practices. We are determined not to allow him to perform here."

INTERNATIONAL CLASSIFIED Appears on Pages 6, 7 & 19.

WEATHER

Forecast for Sunday through Tuesday, as provided by Accu-Weather. Includes maps of Europe, North America, and Asia with weather symbols and temperature ranges.

POSTCARD

Europeans Deconstruct Land of Elvis and Faulkner By Peter Applebome New York Times Service COLUMBIA, South Carolina — Sure, they deconstructed the plantation world, saw a gala screening of the Southern epic "It's a Wonderful Life" and pondered whether Scarlett O'Hara was a feminist.

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Large advertisement for AT&T Access Numbers. Features the headline "I wonder if the little guy had fun today?" and a list of international access numbers for various countries. Includes the AT&T logo and a small image of a globe.

Small advertisement at the bottom of the page featuring Arabic text: "سكوا من الأمل" (Sikwa min al-amil).